

FORWARD – 1975 – Articles by Ross Dowson & under pseudonyms

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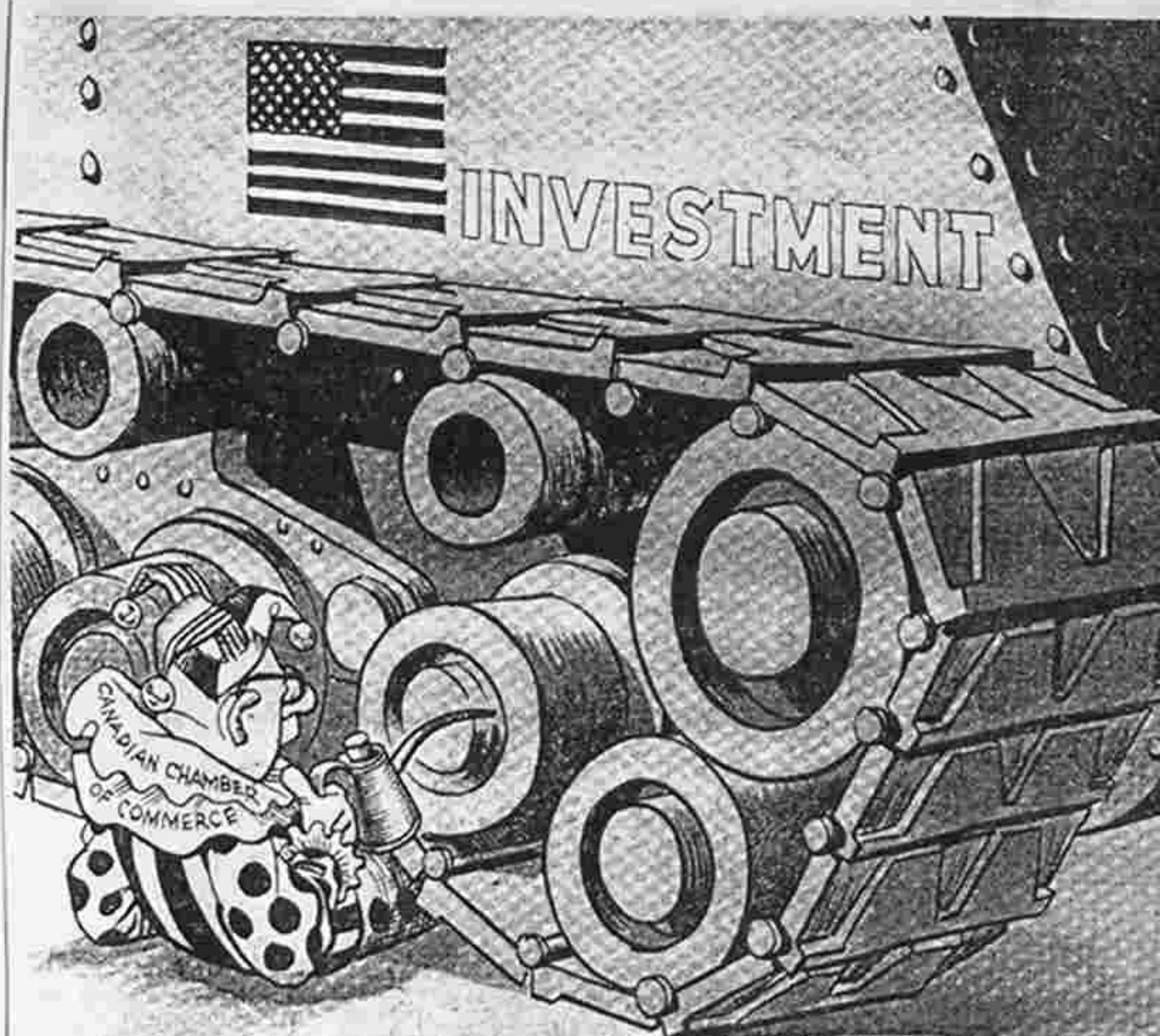
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CANADIAN STATE OILS AMERICAN TAKEOVER MACHINE

Gov't in back pocket of US Levi blue jeans

By Ross Dowson

With U.S. monopoly capitalist interests already in control of the commanding heights of the Canadian economy, and with the continued expansion of their holdings, the Canadian state increasingly tends to become an instrument of their purpose, and of the handful of Canadian corporate giants who have parallel or at least non-conflicting interests to theirs. Not only does the state and its political servants, the capitalist Liberal and Tory parties, come to less and less serve the interests of the struggling and dwindling Canadian petty bourgeoisie, it vastly accelerates their destruction. While it has always served to reinforce the rule of the Canadian capitalists as a class, with its increasing identity with US monopoly capitalism the Canadian state becomes ever more clear to wider layers of the working class to be an instrument of their oppression.

Canada has no computer manufacturers of its own because "they have all been effectively exterminated," said I.P. Sharp, president of I.P. Sharp Associates to the Canadian Computer Conference in Montreal this month. "The instrument of extermination," he said "was and is the federal government."

The Canadian computer industry could operate more successfully if it were based, not on Canadian soil,

but in the US. Canadian companies using domestic components to build computers would "pay more to the government in federal sales tax," than a company like the US-owned IBM exporting equipment to Canada "pays in combined duties and federal sales taxes," he stated. "Not just a bit more, but almost twice as much."

The Hamilton Carhartt plant in operation in Toronto since 1908 will be shut down early next year and almost all other Canadian manufacturers of casual pants soon will be in the same position, according to Richard Sinclair, its vice-president. Hundreds of workers, many of them no longer job flexible, will be thrown onto the scrap heap. "We are phasing out our plant because my tax money was used to help our American competitors put us out of business," said Sinclair.

They are being driven to the wall by newly formed subsidiaries of Levi Strauss Inc., of San Francisco, and H.D. Lee company of Kansas, two of the world's largest producers of jeans. They have received more than two million dollars from the Ontario and federal governments to set up plants in Canada.

According to Sinclair, one jean manufacturer has recently gone into receivership and at least two others are on the verge of going out of business. One large Canadian company, Buckeye-Peerless has

been bought out by Sears Roebuck Corporation of the US which has cornered the Canadian mail-order business through its Canadian subsidiary, Sears Limited.

While the wealthy US corporate giants have been granted a couple of millions from the taxpayers funds, Lloyd Fuller, the principal owner of Adams Knitting, in operation for 42 years, tried three times to get a \$75,000 loan or grant from the Ontario government but "got turned down flat."

To a challenge from NDP MLA Morton Shulman as to why, in the face of a demand that neither Levi Strauss or Lee can meet, Canadian companies producing exactly the same thing are being forced to shut down, the minister of industry and tourism cynically responded: "That would be far beyond my ability to understand except that they have not been aggressive."

But Sinclair of Hamilton-Carhartt denied that aggressiveness or efficiency had anything to do with the collapse of Canadian jean manufacturing. "We manufacture exactly the same pant from exactly the same raw material, only we don't have the same label on them." He charged that the two US giants had a competitive advantage due to their massive advertising over the years upon which their Canadian subsidiaries just piggyback.

Ironically, in the face of govern-

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ment handouts, H.D. Lee confronts three or more charges under Section 38 of the Combines Investigation Act which makes it an offence for a supplier or manufacturer to force a retailer to charge a minimum price for goods supplied. Confronted with a challenge by Ontario NDP leader Stephen Lewis that the records of Levi Strauss Inc. of Toronto and its Edmonton subsidiary GWG Ltd., were seized early this spring, Attorney General Welch refused to comment.

Despite all talk to the contrary, the Canadian State has not only aided the US capitalist domination of the Canadian economy, it is bankrolling US imperialist investments in Guatemala. This fact was brought to light by NDP MP John Rodriguez (Nickel Belt) in the House of Commons finance committee on November 21.

The Canadian government is involved in US exploitation of the Guatemalan people through its Export Development Corporation. It is subsidizing a Guatemalan com-

Gov't aids takeover, bankrolls US giants

Continued from page 4

pany controlled 80 percent by the giant US-owned corporation, International Nickel, to the tune of 17 million Canadian taxpayers' dollars.

According to the terms of the agreement, for the first ten years the International Nickel subsidiary, which will employ a mere 700 Guatemalans, will pay no taxes, only royalties of about \$23,000 a year. After ten years, Guatemala is to get a 30 percent equity in the development. The rationale for such a loan to this profit-fat US corporation, already with vast interests in Canada, is that Canadian capitalists in the equipment supplies business will get considerable business, and it will trickle down into creating jobs in Canada. But the loan locks the Canadian state into the corporate interests of International Nickel and its exploitation of the Guatemalan people. Rodriguez, representing INCO workers in Sudbury, questioned whether it is worth while dealing "with the devil just because you provide a few jobs in Canada."

The financial committee where this incident came to light is considering a bill to raise the financial ceilings of the Export Development Corporation from almost two billion to over five billion, and export

credits insurance from one to one and a half billion dollars, from the public treasury.

Last September the veil surrounding the highly secretive Export Development Corporation was lifted with the revelation that through an export insurance policy, it had underwritten Orenda Limited which stood to lose 2.5 million dollars through the collapse of the Rolls Royce Co., of England. With the British government bailing out Rolls Royce, the EDC recovered nearly all the money it had advanced Orenda. It was the favorable outcome that caused the government to release what had been a top level secret.

The increasing role of the Canadian state in bankrolling, subsidizing and insuring; in its own way planning for the profitability of capitalism, (sometimes called free enterprise) with the resources of the Canadian working people, certainly makes the case for socialism. But that would be using, planning and developing the resources of the Canadian people in their own interests and the working people not only of Guatemala, but of the world. To realize this the Canadian people need state power and a political party that is capable of winning it.

Economic Council predicts increasing US ownership

According to economist and former Liberal cabinet minister Eric Kierans, the scope of US investment is such that its domination of the Canadian economy is already assured.

Now the Economic Council of Canada in its annual release of November 26 projects that the rate of foreign investment will more than double in the next eight years. The council is an advisory body to the federal government, composed of prominent businessmen and academics. According to the daily press coverage, the council made no comments as to the probable source of this capital nor the specific areas of investment. However, there is little doubt that it will be in areas where US investment is

predominant and it will be largely of US origin.

Sales by Canadian subsidiaries of US companies have risen steadily from \$23.9 billion in 1966 to \$48.7 billion by the end of 1972. Within the Canadian market alone they rose from \$12.4 billion in 1966 to \$22.3 billion in 1972. In manufacturing, where US firms hold 60 percent control, sales increased at an average annual rate of 12 percent.

The Council projects the total capital required in the next eight years at between \$430 billion and \$470 billion. Canada will not generate sufficient capital to finance such growth and foreign investment will rise to a range of \$2 per \$100 of total production from a rate of 70 cents, during the most recent eight years.

CROSS COUNTRY WITH THE



By Anne Macdonald

Nationalize United

The federal government should "go the whole route" and nationalize the company in order to make a success out of an enterprise "we've already paid for," said Ed Broadbent about the United Aircraft corporation in Montreal. He raised this demand in his November 9 address to the Saskatchewan NDP convention in Regina. The Canadian government has put up \$105 million for development of United Aircraft which, he said, has transferred 40 percent of its business to the United

States in the past year and intends to transfer a further 35 percent next year.

The over 2,000 workers of United Aircraft have been out on strike since March. Yet the company, backed by injunctions from the Quebec courts, refuses to grant a cost of living escalator clause or even to comply with the Rand Formula, a longstanding system of compulsory dues check-off in Canada.

Priority issue

A ten-page supplement on Dr. Morgentaler and the abortion question is part of the October issue of *Priorities*. *Priorities* is the monthly publication of the Standing Committee on Women's Rights of the B.C. NDP. The series of articles contained in the supplement marks a significant step forward from the traditional lipservice which the NDP has given in the past to both the abortion issue and the Morgentaler case.

The cover of the issue shows Dr. Morgentaler and his statement: "I am more firmly convinced than ever that the law under which I am now being tried is unjust, cruel and dangerous to women."

The editorial is also dedicated to the abortion issue and to Dr. Morgentaler. It acknowledges that in the early days of the women's movement, "we were hesitant to take up, let alone concentrate on this

issue." But it goes on to recognize that "whether we like it or not, our movement is inextricably tied up with the abortion issue . . . It is not only Dr. Morgentaler on trial; it is the women's movement on trial with him . . . As long as we, as individual women, do not have the right to determine if and when and whether we will become parents, we will never have the right to determine our independence in any other sphere."

The supplement gives substantial and important factual background on the whole issue. Sections 251 and 252 of the Criminal Code dealing with abortion are quoted. An extensive assessment is given of the implications of the Criminal Code regarding the Therapeutic Abortion Committees and Dr. Morgentaler's own struggle to overcome the injustice of these legal restrictions

imposed on women seeking abortions. It calls on all women to renew their involvement in Dr. Morgentaler's case — on their own behalf.

A brief history describes Dr. Morgentaler's long background in the struggle for justice and humanism. A further article describes the forces opposed to the removal of abortion from the Criminal Code, such as the organized religions, and state with its courts, laws and institutions, and the most common arguments raised by them. Three moving letters to Dr. Morgentaler, each one a personal testimony to his case, conclude the supplement.

This open and educational approach by *Priorities* can lead towards the better understanding and active involvement by many New Democrats in the abortion struggle and in defence of Dr. Morgentaler; himself a New Democrat. This approach is also the only way to cut across the witchhunting which took advantage of an uninformed public and helped cost David Lewis and many other New Democrats their seats in Parliament in the last federal elections.

The St. George NDP riding association in Toronto recently hosted NDP M.P.P. Floyd Laughren, who spoke on the document he and many other New Democrats signed, **FOR A RADICALIZED AND REVITALIZED NEW DEMOCRATIC PARTY**. The riding voted to circulate the resolution among its members. A notice of motion has been made for its adoption at the next meeting.

Sask. NDP meets

About 850 delegates, visitors and observers attended the November 8 to 10 Saskatchewan New Democratic Party convention in Regina. The convention was in many aspects similar to those held earlier in British Columbia and Ontario. The leaderships want public relation effects. The memberships want political clout and accountability.

The Saskatchewan leadership was out to gear the party machine, program and membership for a well oiled and smooth election campaign next year. As in Ontario earlier on, debate around public ownership brought the divergent aspirations of leadership and membership to a clash. In Ontario the leadership conceded relatively readily to public ownership of energy resources and dug their heels in only when it came to the public ownership of energy resource industries; but they lost

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anyway. In Saskatchewan, the membership had to struggle hard to adopt a resolution calling for "nothing less than" full public ownership of all energy resources — oil, gas, coal, water and nuclear energy which would be used to bargain with the federal government for improved development of transportation and industry in the west; and involvement as soon as possible of Saskoil (a Crown Corporation) in all areas of the oil program on a fully integrated basis."

When NDP leader Blakeney and other cabinet ministers showed some concern about the resolution, one delegate soothed them saying that the timing on the implementation of such motions would be left in government hands.

Other resolutions which were carried against some objections from the leadership, included a motion calling for minimum wages to be raised from \$2.25 to \$3.50 per hour. Another resolution called on the provincial government to "introduce policies which would make it uneconomical for any individual to control too much farm land." The demand that Canada withdraw from NATO and NORAD was also approved.

A significant contribution to the radical thrust from the rank and file came from the Saskatchewan Federation of Labor. The SFL submitted a set of resolutions to the convention which called for such measures as: an end to court-ordered injunctions in labor disputes; elimination of exemptions of government from labor legislation; full government ownership of all natural resources and all future secondary industry; removal of the provincial sales tax from all non-luxury goods; establishment of a bill of rights specifically designed to protect women from discrimination and incorporating among other things the right of women to "publicly-owned and operated and subsidized day-care centres available 24 hours a day." The leadership was successful, however, in getting these resolutions referred off the convention floor to the party's provincial council.

David Lewis was remarkably right, when at one point in his address to the Convention he remarked: "The great destruction of big ideals is that people sometimes are unable to see the big ideals and get themselves enmeshed by little things, little administrative faults, little omissions and little commissions." The irony is only that it was the Party leadership who did everything in their power to get the membership away from the "big

ideals" and enmeshed and bogged down in legalistic and administrative entanglements. Yes, the challenge for the membership of the NDP is to hold onto their "great ideals"; but for more than just

wheeling them out and dusting them off at conventions. The membership has to use the conventions to define policies that link the "great ideals" with the problems before society today and to force the leadership to adhere to them.

Barrett hits oil barons

While squabbles between Ottawa and the Alberta Lougheed Social Credit government over oil prices and export restrictions occupy the centre stage of the Great Energy Debate in the press and parliament, the real issue of nationalization of the oil and gas industry posed by NDP governments in Saskatchewan and British Columbia has been met with a checkmate by the Liberal federal regime.

BC NDP Premier Dave Barrett, in making the case for public takeover, lashed out against mushrooming oil

1974, Imperial Oil — profits up 63 percent, Texaco — profits up 31 percent.

Noting that 90 percent of the oil and gas industry within Canada is owned by non-Canadians, he declared: "We must be the only country in the world with its non-renewable energy resources owned outside of its own borders."

Barrett stated that BC would surrender its resource rights to the federal government if it met his challenge to nationalize the oil and gas industry. "The nation comes before the province", he said, "and we are willing to share those resources and revenues . . ."

The response of the federal Liberal government was given in the Finance Minister's budget speech, when he announced that Ottawa was asserting its right to tax resource revenues and cut itself in on a share of oil royalties. Justice Minister Otto Lang hit out against possible moves by the province to nationalize oil production and thus retain the whole of the tax revenue, by declaring that crown oil firms would also be taxed by Ottawa. This is an unprecedented move — meaning that the Crown intends to tax the Crown. They have also threatened to move against the Saskatchewan Power Corporation.

The real meaning of the threat was made clear by Finance Minister Turner: "Any provincial government which uses this budget to nationalize an industry better think about it very carefully."



British Columbia NDP Premier Dave Barrett

profits, and called for a federal inquiry. He cited the statistics: Gulf Oil — profits more than doubled in 1974, Shell Oil — profits almost doubled in the first nine months of

US building trades brass sabotage Cdn autonomy

By Paul Kane

The delegates to the Ontario Federation of Labor convention returned from Niagara Falls to learn from, of all sources, the capitalist daily *Globe and Mail* columnist Wilfred List, that the top brass of the US-based building trades unions have been manipulating the funds of their Canadian members in a massive financial boycott of the Canadian Labor Congress.

Ken Rose, vice-president of the International Brotherhood of Electrical Workers Union has subsequently admitted that 75 per cent of the per capita tax collected from the IBEW's 56,000 Canadian members has been withheld from the CLC; so have top officers of the Brotherhood of Decorators and Painters, and the Sheet Metal Workers. This has put the CLC almost a million dollars in debt.

This sabotage of the operations of the central body of the Canadian trade union movement by the corrupt US top brass of the building trades unions, through their lickspittle appointees over the Canadian membership, was not only done behind the backs of the tens of thousands of Canadian members of all but three of the 18 big US-based building trades unions. It was covered up from the delegates to the OFL convention by the executive board which had gone through the motions of submitting a financial report. None of the board uttered a single word to the delegates about this outrageous situation although at their last meeting they advanced a loan of \$50,000 to the CLC so it could maintain its operations on a minimal basis.

This action is nothing but an attempt to blackmail, with the threat of split looming behind it, the entire Canadian membership of all the affiliates of the Canadian Labor Congress from implementing their desires to be masters of their own organization.

Last summer's CLC convention in Vancouver saw the delegates not only overwhelmingly reaffirm their support of the guidelines for Canadian autonomy of the US-based affiliates, but also express their determination that the guidelines be

complied with. Attempts of the building trades brass to line up their own delegates in a mini-conference on the very eve of the congress behind a motion to withdraw, should the guidelines be reaffirmed, was defeated by a vote of 116 to 98. With their defeat at the Congress itself, the brass decided to take this unilateral action, behind the backs of their own membership.

The first response of the Canadian membership suggests that this flagrant action is setting off an even greater feeling for Canadian autonomy than has heretofore found expression in the heavily bureaucratized building trades unions.

The Provincial Building Construction Trades Council heard US brass-appointed international representative of the Sheet Metal Workers, Ronald Taylor, refer to CUPE, which is a major force in the Canadian autonomy fight, with a sneering appeal to craft snobbery. There "is no way a bunch of garbage collectors is going to tell us what to do", he said. But some of the most servile lackies of the international leadership felt called upon to protest the dues boycott.

An emergency resolution passed by the delegates noted that "incensed Canadian members of the international union are suggesting harsh retaliatory measures against the international unions for what is considered an unwarranted and vicious undermining of the central labor body in Canada."

Provincial Council officers were authorized to ascertain which unions were withholding dues to the CLC and to decide appropriate action by Ontario locals of these unions — by implication that the locals should withhold dues to the international and make their per-capita contributions direct to the CLC. The convention also adopted a resolution authorizing the council to establish a committee to develop a Canadian autonomy policy for Ontario locals.

Ray Ford, a business manager for a local in the 38,000 member Laborer's union, said that he did not think that the CLC should back off "even if the unions split."

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Editor: Wayne Roberts

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2* Forward, Dec. 1974-Jan. 1975

Action not jingles in Int'l Women's year

By the Editors

You've come a long way, baby! So the media, the government, and the corporations that make money by selling their products to women blare at us.

In fact, we have come so far that the government is contributing \$5 million to women in honour of International Women's Year-1975. Unfortunately, the major recipients of this giant bonus seem to be the same ad agencies long accustomed to selling women the goods. It appears that instead of offering women the changes we require, the government and the ad agencies are offering new jingles to hum — perhaps we'll whistle them while we work at our underpaid jobs or while we're doing the housework.

The other chunk of the money is scheduled to be spent on conferences and salaries. But, as one member of the National Action Committee on the Status of Women said, "We told you in April that we don't want conferences, we want action!" What kind of action can women expect to receive on recommendations they make to our Government? Not much if we base our expectations on past experience.

... waiting for Trudeau

In 1967, the Government established the Royal Commission on the Status of Women. It took over three years for the commission to present 167 recommendations to the Federal Government. Now, 4 years later, the Government has implemented none of the Commission's major recommendations.

We are still fighting for the same goals: repeal of the abortion laws; quality child care for everyone who needs it; and equal pay for work of equal value. Although the Royal Commission dealt with these issues, the Government seems loathe to do likewise.

Some advances have been made. Stewardesses are now able to continue to work through pregnancy. The Toronto press club has now opened its doors to women in the profession. But, in spite of a variety of gains, the overall picture for women appears to be getting worse, not better.

Justice Minister Lang's attacks on hospital abortion committees has caused a decrease in the number of legal abortions performed. Women now have less control over their bodies than they did five years ago.

Proposals made by Margaret Birch, Ontario Secretary for Social Development, to introduce new lowered standards for day care staff ratios and nutrition and safety requirements have placed the standards of existing day care facilities, already inadequate, under attack.

Equal pay for work of equal value seems to be a concern which has made little headway. According to a study done in 1971, the salary gap between men and women has actually widened and in 1972 the average income for men was \$9,074 while for women it was only \$5,208.

Since 1967, women have become increasingly impatient with the

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Year of action for women

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Government's unwillingness to satisfy their demands. Women have organized around the defense of Henry Morgentaler, a victim of Canada's criminal abortion laws. Ontario women have organized against the Birch proposals. Equal pay has been fought for in a number of struggles.

International Women's Year will no doubt see many more of such activities.

Addressing a conference on the status of women in the civil service, one male participant commented that the only reason that there hasn't been a revolution was because women weren't organized. This year, let's get organized.

in this issue:

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New turn in labor's ranks spurred on by youth and inflation

By the Editors

The trade unions, encompassing over 2½ million workers, are posing a colossal problem to the giant corporations that own the productive plant of the country, and their political stooges who command all the powers of the state.

The daily press reports on the hearings of the Quebec Royal Commission on the building trades unions, and NDP MLA Shulman's expose of the Seafarer's Union have been headlining the corruption of sections of the union leadership. They have been covering up, not only the Quebec and federal Liberal governments' venal involvement, but above all the role of the very forces on whose behalf these government officials worked.

The media is zooming in, not on capitalism which is the fountainhead of corruption but on the handful of petty bureaucrats who fell prey to its bribery and flattery and betrayed the membership's trust — in an attempt to smear the concept of unionism itself.

The Big Business cabal are gravely concerned about the trade union movement at this time, and not only because the economy has been slipping into a period of increasing instability and uncertainty, the cost of which they will attempt to unload onto the backs of the workers. They are particularly worried because over the past year we are witness to a new upsurge of militancy the likes of which has not been seen since the great struggles that swept across the country following World War II.

mounting strike wave

The statistics released by the Department of Labor for the first six months of this year record in cold type the first phase of this mounting process. By June of this year there had been almost double the number of strikes and lockouts than there had been during the entire years of 1969, 1970, 1971 or 1972. The duration of these struggles registered in the number of "man-days" was equal to those of the entire year of 1973.

Confronted with skyrocketing prices which have drastically cut into real wages, the organized workers have not only initiated wide-spread struggles that have won them substantial basic wage increases but, in as yet all too few cases, are winning agreements that ensure them automatic wage increases with the increased cost of living (COLA). While they have by no means caught up, settlements in the first half of 1974 established an average 12.3 percent increase in wages.

With the economy undergoing a period of increasing difficulty Big Business has not only been unable to completely unload the costs onto the backs of the workers. They are now having to confront the fact that the radicalization of the '60s that swept through the youth, concentrated mainly in the student movement, is now firmly planted in the ranks of organized labor.

It was the lack of any substantial working class response to the youth radicalization that was in large part behind its ultra leftist spin-offs and the distortion in a sectarian direction of many of the radical formations that were hit by it.

The rejection of the capitalist system as a whole by broad layers of the youth radicalization is now finding widening expression at the work place. How to counteract this development was the subject of a panel discussion at the annual meeting of the Canadian Chamber of Commerce. Ford of Canada's executive director of public affairs called for an all-out fight against "the misleading and sweeping assumptions that work is becoming less meaningful or that workers are dehumanized or alienated." The chairman of Honeywell Ltd. took comfort that "with luck" they may "have a better chance of getting a hearing and changing some of the irrational attitudes about business that have become so entrenched in some quarters in recent years."

But while the C of C members took comfort with the president of the Redpath sugar monopoly, that the problem is not the system itself but one of communication of the achievements of capitalism, others more directly involved have had to more honestly delineate some aspects of this new situation.

Carl Goldenberg, possibly the most experienced and astute mediator in the business, who was recently awarded a senatorship, expounded on the situation before a seminar last month in what is essentially an apology for the harassed union leadership.

as the enemy sees it

Referring to the influx of youth in the work places across Canada he noted; "as the younger generation of workers takes over, trade unions become more militant in their demands and the older trade union leaders face rebellions if they cannot succeed in satisfying them."

He referred to "the difference in attitude towards increased pensions, in which the older worker is naturally more interested, as against immediate wage gains which are the greater concern to the young than future security"; "to the rising expectations in which more and more people want more and more of the good things of life," and to "the monotony of the tasks on the assembly line" which "tends to alienate the younger and better educated workers of today" who "are more mobile and less attached to the job as such, than those who preceded them."

Naturally this phenomenon is not limited to the ranks of the long established unions. It affects broad strata of white collar and professional workers who have heretofore looked askance at unions, not to speak of mass demonstrations and strikes. What were in many respects company unions have undergone a veritable transformation. The greatest union growth is in these areas of the work force.

Not only are the union rank and file more frequently rejecting offers that have been accepted by the leadership after lengthy strikes and minimal strike pay. White and blue collar workers, in what have been labelled essential services governed by laws barring strikes backed up by heavy penalties, are doing that which is forbidden. They are striking.

The advocates of "law and order" have attempted to whip up "public opinion" against such strikers but to little effect. They have been challenging the government with its police and army to enforce union-busting laws already on the books and to enact special legislation. But the

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New openings for labor

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discontent is so widespread, and rank and file militancy developing on such an ascending curve, that the responsible advisors and policy makers of the capitalist class are quite unprepared to act. Recognizing their powerlessness to head it off, and fearing untoward intervention will only accelerate the whole process, they are preaching caution until the objective situation is more favorable.

Labor Minister Munro himself, has felt called upon to publicly explain his government's failure to intervene with a back-to-work order against the Vancouver grainhandlers. Last time when the government did so against the railway workers, the NDP opposed the legislation in principle and backed the full demands of the union. "We have decided against it," with the grainhandlers, he said, "because we do not want to turn parliament into a labor court. In last year's rail strike parliament became not so much a debating chamber as an auction, with partisan politics influencing the outcome as much as considerations of equity and justice" (sic!)

Even more notable was the response of Superior Court Chief Justice Deschenes to the demand that he place the striking Montreal tramway workers in contempt of court. It was Deschenes who only two years ago sentenced the three leaders of the Quebec trade union Front Commun to jail, when their defiance of the law projected an ebbing struggle onto a whole new plane of combat.

"The requests of MUCTC," he warned, "are socially and politically and juridically inopportune in their conception and dangerous in their consequences."

"As social conflicts become increasingly virulent and as the working world, the intellectuals and manual workers forge a unity and discover a new solidarity, three parallel phenomena are manifested in contemporary society, especially in Quebec: the rejection of authority, whether it be religious, political or juridical; the progressive installation of a generalized amorality; and finally, politicalization of the masses."

During the '50s and into the '60s the trade union leadership struck big blows at the democratic character of the unions and the capacity of the ranks to develop them as instruments in defence of their interests. They red baited and succeeded in isolating those militants who they did not exhaust.

But the times are changing. The ranks are moving out again; new and healthy elements are seeking to breathe life into their unions. There are new openings to build rank and file caucuses through which a new leadership can be constructed. Not only does the record show that red-baiting is less able to divert attention from the real issues — a growing number of militants want to know the place of unionism in the broader struggle of their class and are increasingly open to politicization.

Oil profiteers, get out now

forward

PUBLISHED IN THE INTERESTS OF WORKING PEOPLE

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Dave Barrett

The oil trusts should "get out and get out now", BC NDP Premier Dave Barrett shouted in a rousing address to the Alberta NDP convention.

Referring to the oil moguls as "vultures" and "price-gougers" who were driving up the price of oil for their own profit, he insisted that "we want to be left alone from them."

His sentiments were seconded by major speakers at a Toronto weekend conference on Canadian nationalism. Since the energy industry is demanding such enormous government backing, we should put it under "100 percent public ownership", Max Saltsman, NDP MP urged. The chairman of the Committee for an Independent Canada also favored operating the Syncrude project as a public utility.

Cdn gov'ts capitulating before oil bosses' Syncrude ultimatum

By the Editors

Syncrude Canada Ltd., composed of some of the largest US-based oil monopolies — Imperial Oil, Canada-Cities Service, and Gulf Oil — has served notice on the Canadian government and the Canadian people. Unless we come across with a billion dollars of aid for these profit-soaked corporations, the tar sands development will grind to a halt, not to be brought to life again before another 5 years. At the same time these very corporations are telling us that we will run out of conventional gas and oil reserves about 1982.

The pretext for this demand is skyrocketing costs due to inflation and the recent walkout of 30 per cent shareholder Atlantic Richfield from the Syncrude consortium. ARCO walked out, not because of inflated costs, but because of the federal government's stated intent to phase out all oil exports. That means that ARCO, all of whose refineries are in the US, will not get any of the profits

from processed oil products. Ironically, it was the oil companies' forecasts of dwindling supplies that led to the government's decision.

Syncrude has laid down a total of five conditions to be guaranteed by the Canadian government by January 31:

- \$1 billion investment into Syncrude

- no production limits on Syncrude plants when they become operational

- retail pricing of Syncrude oil at world prices (about double the Canadian price)

- continuation of tax writeoffs for depletion allowances

- elimination of federal tax on royalty deductions from Alberta.

This threat follows the recent ganging up of the oil industry on the Alberta government to force it to reduce its royalties about \$800 — \$900-million. Last December, Financial Post reporter Hort Heise told of how the oil companies "want

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the premier (Lougheed of Alberta) to eat crow" or else risk an exodus of "seismic crews and equipment, drilling rigs and equipment, computer centres and know-how, large-scale servicing and repair facilities, transportation, research, servicing of all kinds . . ." And shortly after this confrontation, Lougheed announced that the price of Alberta oil "will be going up next spring."

Alberta NDP leader Grant Notley and Mel Hurtig of the Committee for an Independent Canada called Syncrude's ultimatum a bluff. Notley termed it an attempt to take advantage "of the current uncertainty surrounding oil sands development to jack up the price of oil and gain more tax advantages." Hurtig saw it "as another in what is now a long string of ultimatums from the foreign oil companies to the federal and Alberta governments."

A number of scientists, engineers, and writers are challenging the oil companies' cost figures, whether there is a real gas and oil shortage, and the lack of effective control over development by the Canadian people.

Scientist J.C. Russell and Hurtig dismiss the oil companies' claims as lies. Russell points out: "The costs are being ballooned upwards rapidly

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Oil profiteers, out!

so that profits will accrue from the building of the project and refining the products. With an agreement to split any profits with Alberta on a 50-50 basis, it is in the companies' interest to show no operating profit."

Calgary petroleum engineer J. Yanchula explains that "corporate accounting is an art invented to demonstrate how it is possible to lose money and still grow rich." Citing the case of Great Canadian Oil Sands' supposed loss of \$680,000 in 1972, he reveals how deducting allowances for amortization, interest and depreciation masked an operating profit of \$13,571,000. And the Alberta government missed out on the royalties.

Yanchula considers that the same type of ripoff is at work in the Syncrude project. In opposition to corporation estimates of \$2 billion cost for the plant, he calculates \$400-\$500 million. "Taking into account all the games being played, the Syncrude project, on the basis of expectations before the October 1973 Arab-Israeli conflict, would have returned a net profit of over \$8 billion to Syncrude and \$1 billion to the Alberta government."

What about the so-called energy shortage in Canada? If we were to believe the words of the former minister of energy, mines and

resources in 1971, then as of 1970 Canada's reserves stood at "923 years' supply for oil and 392 years' of gas" at 1970 rates of production. These industry-supplied figures sharply contradict the current claim of 9 years' supply of conventional oil left in the ground and a projected annual net deficit of billions of dollars in imported oil costs soon to be faced.

Yanchula disputes any talk of energy shortage for Canada: "... the shallow Milk River gas potential ... could alone be more than sufficient to meet Canadian needs into the next century ... at prices far lower than Arctic gas." Thus the tremendous expense of building a Mackenzie Valley gas pipeline makes no economic sense to Canadians but is in actuality a form of continental energy resource sharing to the advantage of the profits of US oil corporations.

As an alternative gas supply, Yanchula argues for synthetic production from coal, which is cheaper than Delta gas and Arctic Island gas. Moreover the \$6 billion expenditure for a pipeline "would create 400 permanent jobs compared to 400,000 jobs for the same expenditure in manufacturing or processing ..."

Estimating at current consumption rates that Canada will need 30 billion barrels of oil to the end of the century, he concludes that potential and discovered conventional reserves are more than enough for Canada's needs. The more than 30 billion-barrel tar sands potential is for US needs and the "pressure to explore, develop and produce at a pace to satisfy US needs will be enormous and with the powerful multinational corporations on the scene, there is good reason to wonder whether Canada will survive as a separate political entity."

According to Russell, although Canadians will not benefit financially from the tar sands, we will have to bear the risks, costs, and consequences of any failures. Much of the engineering, equipment, and treatment facilities will go to US business interests associated with

the Syncrude companies even where Canadian resources are available. "The province-owned Alberta Energy Company will put up 80 per cent of the cost of the pipeline and 50 per cent of the cost of the power plant. These neither are part of the project proper, nor will they be paid for by Syncrude."

As well, Syncrude and GCOS have done nothing about sulphur dioxide emissions despite the fact that effective installations for removal are installed in great numbers in Hamilton and in other parts of the world.

The time has come to confront the lies, ripoffs, and threats of blackmail by the oil companies who operate ruthlessly in their own interest as capitalist monopolies against the interests of Canadian working people. To their secrecy, duplicity, and environmental destruction there can be only one answer: Nationalize our strategic energy resources and take back what is rightfully ours! Plan them for the needs of the vast majority of Canadians, the Canadian working class!

The federal Liberals or the Alberta Tories, both tied to US big business interests, are impotent before this parallel power of the multinationals. Only a labor government has no interest in acting as oil company surrogates. Only the NDP, the Canadian labor party, has the possibility to fulfill this duty.

For years, the NDP provincially and federally has been on record in party programs and speeches by parliamentary leaders for public ownership of energy resources. The NDP must take its stand now at this critical moment when the future of the Canadian economy is at stake. The NDP should launch a major campaign for public ownership of all energy resources, especially the tar sands projects, in order to plan and develop these resources with the maximum return to Canadians for jobs, cheap energy, ecological preservation, and export on the basis of our priorities.

Cdn. workers protest US ban on Cuba trade

When the news broke that Washington had advised Litton Industries of California to instruct its Cole Steel subsidiary in Toronto to cancel a Cuban order for a half million dollar order of office furniture Canadian Trade Minister Alastair Gillespie responded vigorously. It is "an intolerable interference in Canadian affairs," he declared, and a "case of commercial colonialism."

The Litton scandal was followed up a few days later over the New Year, by a revelation that International Business Machine officials had discouraged their Toronto branch plant from selling over 2 million dollars worth of typewriter equipment to the Cuban government. Then, after admitting that he had received no reply from his protest note to Washington — his government had taken no action of its own with the authority at its disposal — the Liberal Minister told the press that he did not expect any quick resolution. "There are discussions going on, and I don't think it would be in the public interest to say more."

The inaction by the Canadian government and the silence of Washington continues. On January 24 External Affairs Minister Allan MacEachan told a press conference in Winnipeg that he is planning meetings with US government officials to seek an end to US interference in Canadian trade, that he had expressed his displeasure to the US Ambassador, but no date has been set for such meetings.

While he talked of a bill that would give a Canadian government tribunal the power to order a US-owned company in Canada to ignore a US law, he

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Cole Steelworkers protest Cdn submission to trade ban

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made it clear that it was the US that should act, and not his government. He expressed sympathy for US directors of the companies who would be put in the awkward position of having to obey one law or another. "What is needed," he said, in typical colonialist style "is a change in United States law... so that Canadian companies will be able to pursue normal export business in a manner consistent with Canadian law and policy."

Pierre Trudeau as the first minister of the nation made a contribution while holidaying in the Caribbean via a taped TV program over Buffalo Channel 17. Once again he expressed his opposition to nationalism. "I have often considered nationalism as being dangerous," he said. "A certain measure of control, economic domination, can inhibit the development of our economy in the way we want it, and that is why there has been this (nationalist) mood," among Canadians.

The members of the Steelworkers union at Cole Steel in Scarborough, Ont. have protested the US government's interference in Canadian industry through its laws governing corporations whose home base lies in the US. We publish below a copy of a letter forwarded to us by the secretary of their local (see the letters to the editor column).

from the Cole Steelworkers

to: The Central Organization of Cuban Trade Unions
Dear Brothers and Sisters,

It is with dismay and indignation that we have learned that the company we work for here in Scarborough, Canada, is being blocked from manufacturing and shipping to your country \$500,000 worth of office equipment that is a preliminary order to one three times that amount.

The circumstances as we have been given to understand them are that the administration of the plant where we work here in Canada has been instructed by its U.S. owners, Litton Industries of Beverly Hills, California, that it must comply with a law passed by the U.S. government that forbids trade with your country under a so-called Trading with the Enemy Act.

We want you to know that we resent the Canadian Government's failure to force plants located in Canada and employing Canadian workers to comply to Canadian laws—regardless of laws passed by the U.S. government.

We also want you to know that while the situation is such at this time in our country that we have no say over the procuring and the filling of orders or the administration of the plant where we work, we want to work on and fill that order that has been placed with Cole Steel by your government. We would like our labour and skill to be made available for the production of goods that people can use and want, not only in Canada but anywhere in the world, including Cuba.

We consider this situation all the more outrageous in the face of the increasing number of layoffs that are taking place in Canada and which threaten our employment at the Scarborough plant of Cole Division, Litton Business Equipment, Limited.

Ted Barrett, President
Fred Callahan, Secretary

Local 6540 United Steelworkers of America AFL-CIO-CLC

bandaid, too little, too late

too weak

Trudeau tough with Time — a bit, maybe

By Ross Dowson

The Federal government, after decades of agonizing appraisals and re-appraisals, which spawned two major royal commissions: one over the years 1959-61, headed by Senator Grattan O'Leary, and another over the years 1969-70, headed by Senator Davey, has finally done it.

The Liberal government has finally decided to end the special tax privileges that previous Liberal and Tory governments had granted Time and Readers Digest. In the coming session, the government will amend the Income Tax Act that up until now has allowed Canadian companies advertising in the US-owned and edited Time and Readers Digest to deduct the cost from their taxes at 100 percent.

Senator O'Leary, back in 1960, declared that this special relationship with Time and Readers Digest supported "the proposition that Washington has a right to interfere in a matter of purely Canadian concern and voting a probable death sentence on Canada's periodical press". O'Leary's observation has been borne out to the hilt.

By 1974 the Canadian editions of Time and Readers Digest accounted for almost 50 per cent of all ad-

TIME

vertising revenue received by the 14 consumer magazine affiliates with the Magazine Association of Canada, and almost half of their total revenue — over 39 million dollars. Along with scooping up this advertising revenue, the life blood of such magazines, came the automatic elimination of dozens of other magazines from the racks. Since then, Readers Digest circulation in Canada has risen from one million a month to over one and a half million (English and French), and Time skyrocketed from 215,000 a week to over the 550,000 mark.

These special privileges to perhaps the most sophisticated and cunning media of US imperialist propaganda were conceded to and retained by Time and Readers Digest under a series of experiences that were excruciatingly humiliating for the Liberal and Tory capitalist governments.

It was in compliance with the personal intervention of US President Eisenhower himself, on behalf of his friend Time-Fortune-Life owner Henry Luce, that Prime Minister Diefenbaker rescinded a 20 per cent tax on Time and Readers Digest. When Luce appeared before the O'Leary commission he arrogantly brushed aside the pretences of his managing director that in all respects Time was a Canadian periodical, with the statement that "I do not consider Time a Canadian magazine." Luce unembarrassed showed that his

interest was solely profits. He is quoted in a 1959 memo appearing in the official history, The World of Time Incorporated, that "a crucial point is rate of profit. From this point of view Time Canada was (and may still be) our best baby."

The basis of the Liberal-Tory governments' capitulation on Time and Readers Digest was the shaky condition of the Canadian economy, fear of a radicalization of the workers, and various economic concessions to which the US government had committed itself to help pacify the situation.

Journalist Peter Newman, in a widely publicized statement has said that only hours after the O'Leary report was tabled a senior White House representative warned Ottawa officials by phone that the implementation of the report would result in immediate cancellation of a major US contract with Canadair Ltd., of Montreal.

Walter Gordon, finance minister in the Pearson government, has revealed that he told a disturbed Liberal caucus at the time that the maintenance of the Time-Readers Digest tax exemptions "was the price we had to pay to get approval of the automotive agreement."

In announcing the Liberal government's reversal after so many years of abasement and humiliation, Secretary of State Hugh Faulkner said that "In taking these steps we in the government are really not so much concerned with certain of the nation's industries as we are deeply committed to the nation's integrity. What happens in the area of Canadian books, magazines and broadcasting, as in other areas of Canadian cultural expression, is not a matter of marginal interest or importance. The strength, originality and vision we find therein is the true measure of what constitutes our national life."

Onetime Liberal cabinet minister Judy LaMarsh, in a recent column states that she "favored exempting Time maybe, because the US government was very responsive to Henry Luce and it leaned on us with muttered thoughts." Now, sensing that Time has little clout with the present Ford administration, and as if suddenly realizing that Time has "no plant, no presses and it doesn't even have Canadian directors," in fact it even rents its typewriters, she favors killing Time. While unconvinced that this will save Canadian periodicals, LaMarsh is emboldened to say "If the US state department is going to stay out of this, why not do it and find out?"

Ironically, only a matter of days before Faulkner uttered his government's concern about Canadian culture and the nation's integrity, the expiration of the 60,000

circulation venerable Canadian Saturday Night was announced. On December 17 the Independent Publishers Association informed a press conference that four cabinet ministers, including Gillespie and Faulkner, had declined to receive their delegation and brief on the state of Canadian publishing. Understandably, for it has been aptly called a Doomsday Cry.

Despite the veritable renaisance of Canadian literature, the association, representing 75 Canadian-owned publishing houses drew a balance sheet which spelled out the almost total ownership or control of the Canadian, English-language publishing industry by foreign publishing corporations — now approximately 84 per cent, largely U.S. In 1967 the Toronto industry's share of the English-language market was 38 per cent; today the IPA estimates that it is down to 17 per cent. According to their estimates Canadian book purchases are now a mere 8 per cent in public libraries and 10 per cent in university bookstores. Canadian representation on the paperback racks is a mere 2 per cent and Canadian book clubs have only 7 per cent of the book club market.

It is the US corporate takeover of school text publishing, long the bread and butter of Canadian publishing houses, that highlights the situation. While only 32 per cent of the texts were written by Canadians, a mere 3 per cent were Canadian produced. The Canadian Book Publishers Council, which numbers 28 foreign-owned subsidiaries among its 59 members, admits that the Statistics Canada report on Canadian booksales, when it appears, could show that the process of the US takeover is even more complete than the IPA says.

Rebuffed by the federal and the Ontario governments, according to

Saturday Night

Gordon Pinsent, the star of Rowdyman, the Council of Canadian Filmmakers appeared before the Toronto City Council's executive committee on January 16. It asked the city executive to endorse a number of their recommendations to these governments.

The CCF's chairman declared that the Canadian film industry, despite federal government bandaid schemes, is "a threatened species, coming just behind the whooping crane." He said that "eighty per cent" of the 140 million dollars spent on Canadian movies in 1972 did nothing for a Canadian industry, it went "straight back to the United States." The situation is a deteriorating one, according to the council's figures. In 1972, 13 major

English language feature films were released in Canada. By 1973 the number had declined to six, and last year, 1974, it had fallen to four.

Among their proposals are a provincial tax on profits from all films shown in Ontario, to be invested in future Canadian productions, and the buying-out by the federal government of Famous Players of Canada, to make the showing of Canadian films easier and to give them access to the American market.

Fortified by the decision of his government to end the special relationship of Time and Readers Digest, Mr. Faulkner appeared before a Conference on the State of English Language Publishing in Canada in Peterborough, Jan. 24-25. Faulkner's proposals that the federal government would place Canadian books and magazines on sale in federal buildings and screen foreign takeovers of Canadian publishing companies served only to weld the some 300 writers, publishers, librarians, into a common front. They immediately formed, on the spot, the pan industry Book and Periodical Development Council. The new body, which includes five major Canadian associations and excludes representatives of the foreign-owned publishers, listed eight demands for government action to increase Canadian ownership and Canadian content.

Faulkner and his government are counting heavily on Readers Digest's and certainly Time's not meeting the 75 per cent level of Canadian ownership required by the Income Tax Act so Canadian advertisers could continue to advertise in them tax free. Has a deal been made, to offer Time up as a sacrifice so that the Liberals can make a tokenist concession to Canadian nationalist sentiment, in return for much more vital concessions, say on Canada's oil resources?

Faulkner has announced his expectation that the repeal of Time's special relationship will result in its withdrawal, and the launching of a new, a "Canadian" magazine. However Time and Readers Digest have lots of room to maneuver with a government that is by no means united, reflecting differing interests among Canadian capitalist circles

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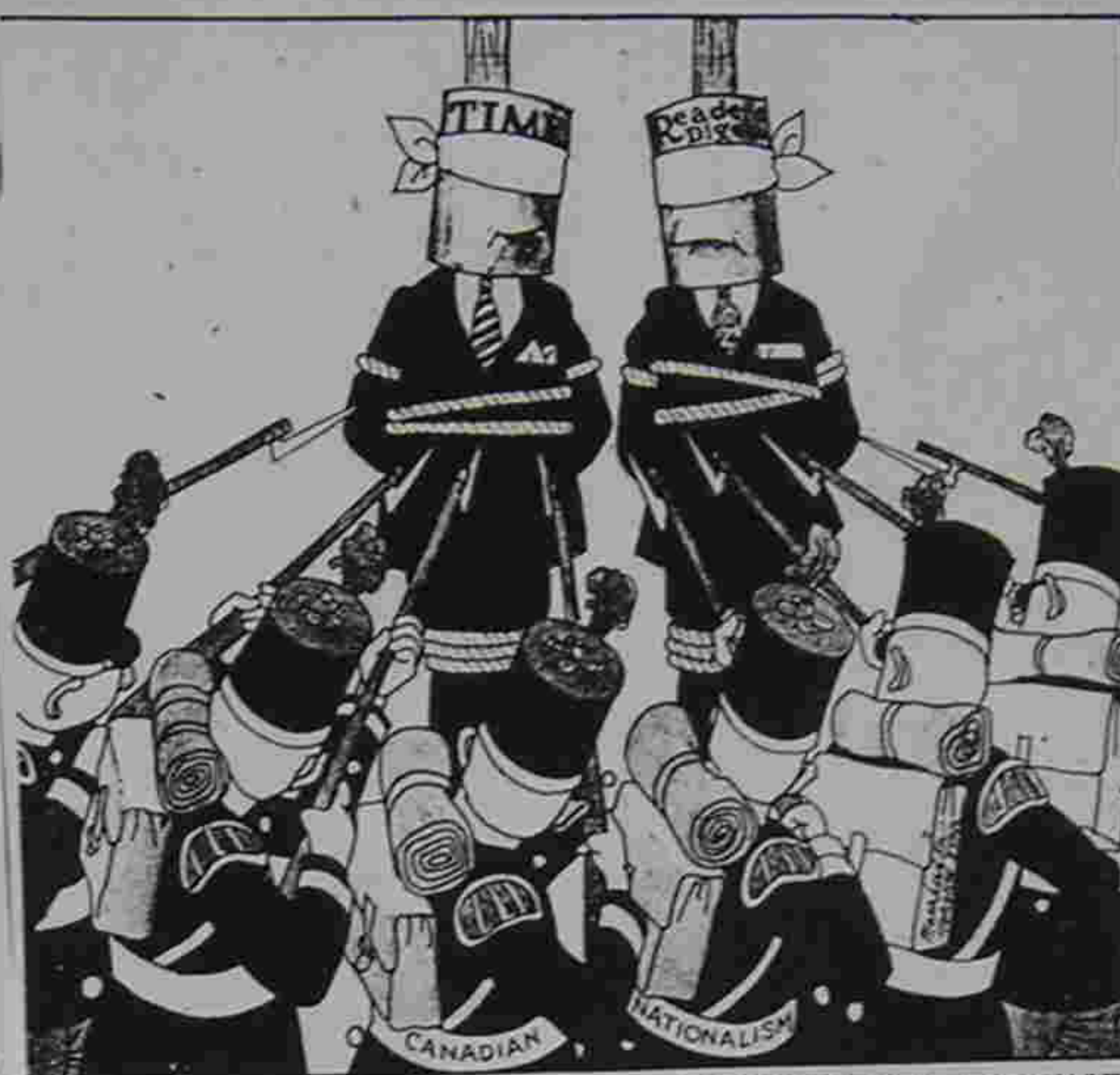
and acute sensitivity to and dependency on US business interests.

While in the midst of dickering over Canadian oil resources, Imperial Oil, the US imperialist corporation par excellence, sweetened the pot with a \$100,000 donation to the resuscitation of Saturday Night. It is slated to reappear under a new ownership which includes the chairman of Cadillac-Fairview Corporation, the nephew of the president of the Globe and Mail publications network, the president

Maclean's

of the MacDonald's Restaurant chain, with Edward Gowan, founder of CITY-TV, as publisher.

Top Canadian publishing circles are agog with rumours of new combinations that could result in the accumulation of the massive resources necessary in this age of monopolies to launch a new news-magazine. Maclean's Magazine, part of the Maclean-Hunter publishing empire that includes The Financial Post in its stable, is talking of moving in to fill any gap that might be left by Time through connections



ONE CONSOLATION - THEY'RE NOTORIOUSLY BAD SHOTS"

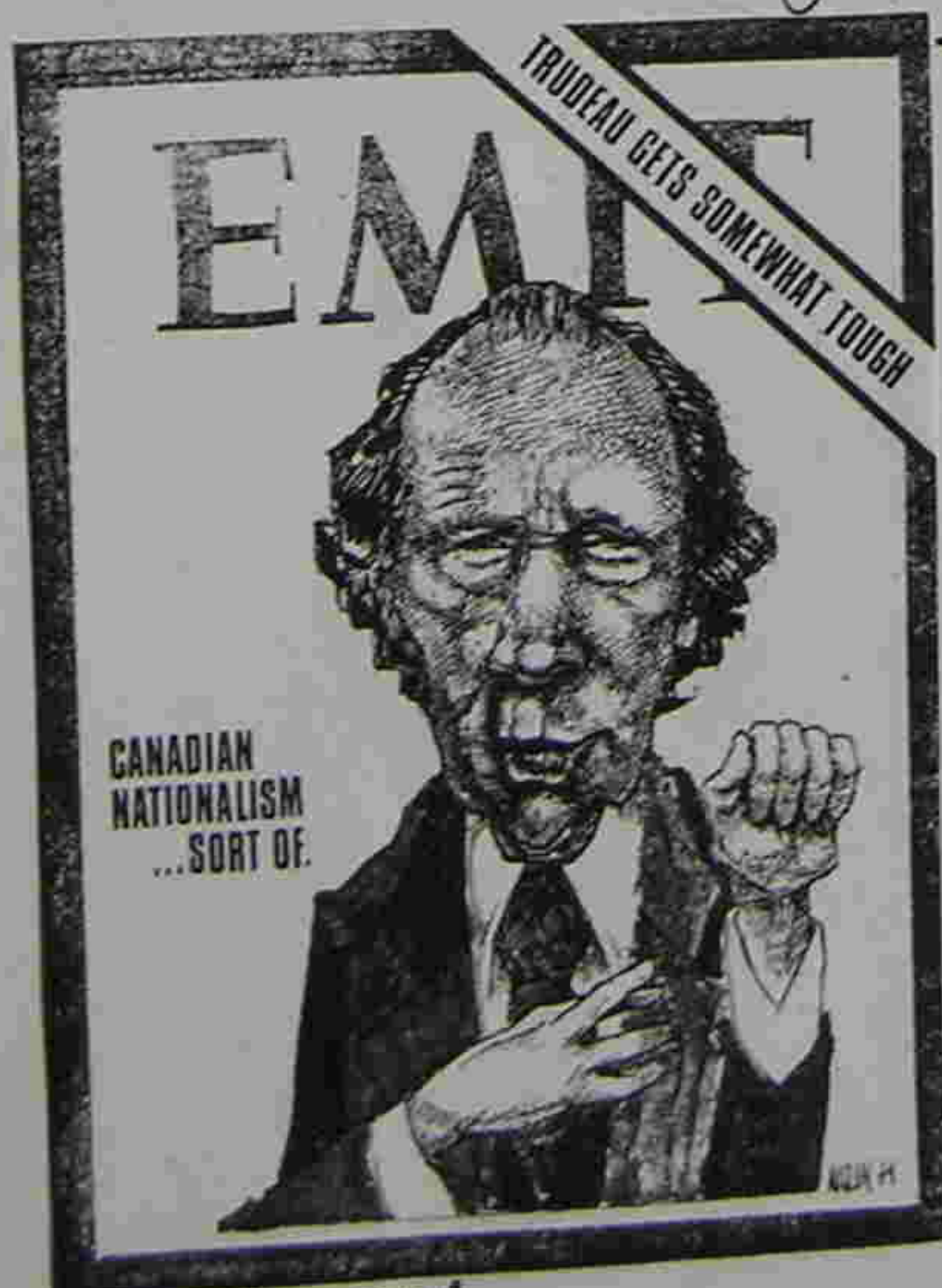
with the other US giant Newsweek.

Whatever the outcome in this episode of the continuing takeover of the economy the bankruptcy of the Canadian government and capitalist class is becoming increasingly apparent to wider layers of the population. It is also becoming

apparent through such demands as formulated by the Council of Canadian Filmmakers, that the aim of an independent Canada can only be realized through the establishment of a worker-ruled Canada, through the achievement of a Socialist Canada.

Poor Style

of the international



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put. of line

Cdn complicity, as usual, in Vietnam war crimes

By Paul Kane

With the failure of the venal South Vietnam Thieu government to implement the Paris Peace agreements, and the re-escalation of the war in Vietnam, the danger of Canadian complicity in US imperialism's Far Eastern counter-revolutionary strategy looms to the fore once again.

Of course the Canadian government has maintained its export ban on all arms and military equipment to all sensitive areas (which include Vietnam) — regulations which continue to spell out that the ban covers "the ultimate designation" of the material. However, as before, there are no restrictions to shipments to the United States which allocates them as it sees fit.

While maintaining the pretense of a ban, the Canadian department of Industry Trade and Commerce has actually aided sup-

pliers of goods to Vietnam in bypassing the ban. A Montreal wire rope supplier, even as late as last year, was helped in consigning the goods to a US base while clearly marking it for trans-shipment to a Thailand airfield.

The computer printouts of US Department of Defence contract awards to the Canadian Commercial Corporation in Ottawa, of prime contracts of over \$200,000, not only describe the material but designate the area as South East Asia. Among the materials are components vital to the operations of US war planes such those that did the bombings in Vietnam. With the winding down of the war the orders have also wound down—from \$336 million in 1970 to \$216 million in 1971, the last year released. With the re-escalation of the war no doubt the Canadian government looks forward to once again becoming a US imperialist powder-monkey.

Writers see Cdn role in Brazil as 'sub-imperial'

The January-February issue of the widely circulated *This Magazine* contains an important contribution to the debate on the nature of Canada and its role in the world political arena. The occasion is a lead article on Brazil and the role of corporations there such as Brascan and Alcan, often cited as Canadian owned and prime examples of Canadian imperialism.

After demonstrating the dominating presence of American imperialism, the authors ask "how should one define these countries which play the roles of both imperialized and imperialist dependent capitalist nations on the world scene... how should one characterize the role (so well exemplified in Brazil) of the Canadian state and Canadian based corporations (Falconbridge, Alcan, Inco, Brascan, etc.) as sophisticated tools integrated into and used by, the American imperialist system?"

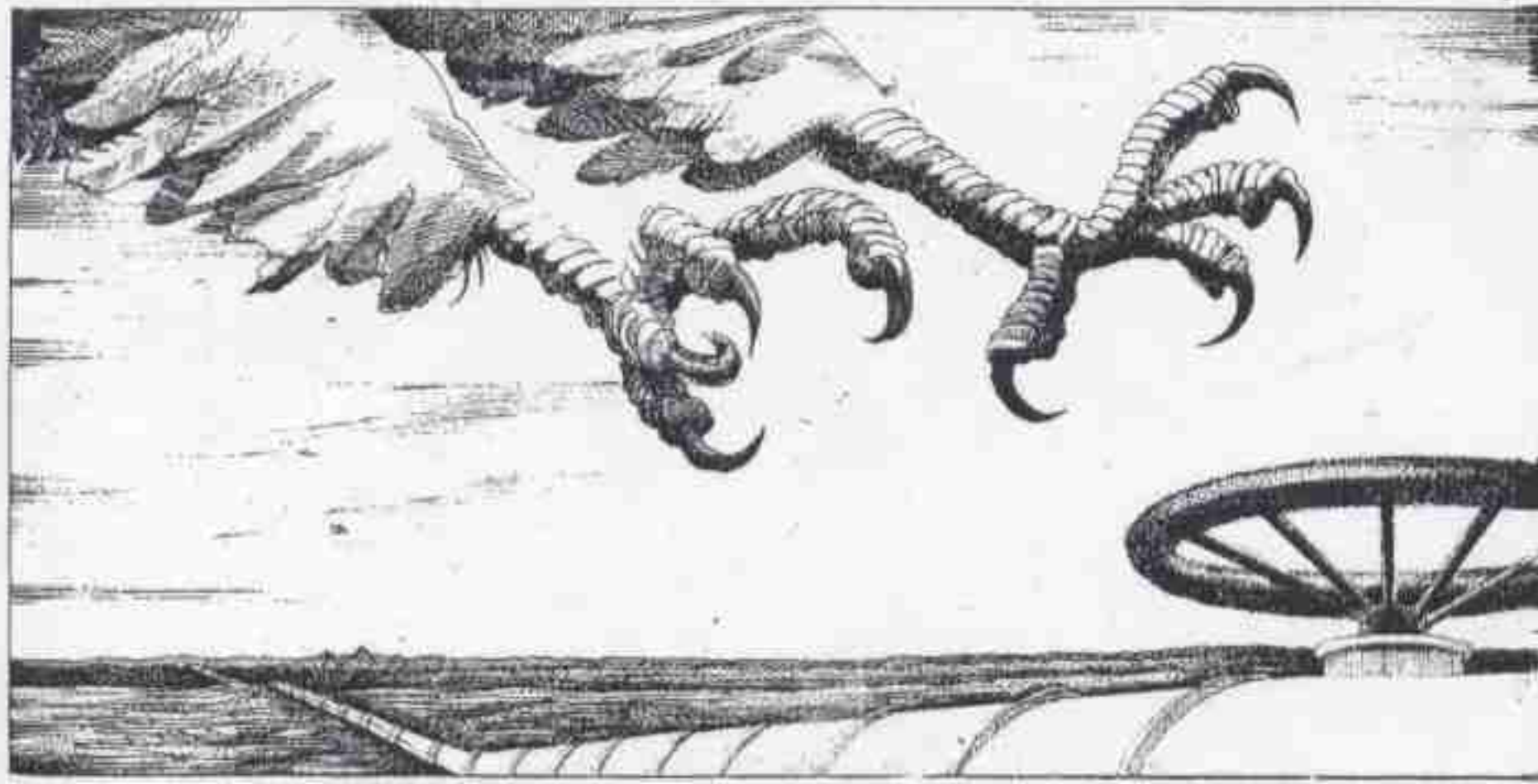
The authors suggest that the term "sub imperial power" can

be applied to Canada which they see as "not only a hewer of wood for the United States but also... as a middle-sized intermediary state which acts to expand and protect US interests beyond our national boundaries."

"Canadian sub-imperialism, lacking the military strength of America and Brazil... acts through its extensive investments in both Latin America and the Caribbean, laundering American capital through Canadian-based multinational corporations". They point out that "by welcoming Canadian capital as if it is very different from American capital, Latin American nations become victims of covert mechanisms which camouflage US control of the major Canadian multinationals."

The authors are Jamie Swift of the Development Education Center, and Tim Draimin of the Latin American Working Group of Toronto. *This Magazine* can be obtained for \$1 from 56 Esplanade Street East, 4th Fl., Toronto.

Oil buccaneers plunder public funds



By Gord Doctorow

No sooner had the big business-controlled governments in Ottawa, Ontario, and Alberta announced that they would mortgage Canadian tax dollars and Canada's oil development future — to pay for all the concessions demanded by the US oil companies for Syncrude — than Mitchell Sharp as Acting Prime Minister announced that the government might approve \$7 billion for a proposed Mackenzie Valley gas pipeline before the pipeline inquiry

had completed its hearings.

The Syncrude sellout has netted the profit-gorged oil companies \$600 million in government investment, \$600 million from the Alberta government to pay for infrastructure, \$200 million in loans from the Alberta government, tax concessions worth hundreds of millions of dollars, a guaranteed market price for tar sands oil at double the current rate for conventional Canadian oil. In

Continued on page 5

May 10 - for national women's rights action

By the Editors

"International Women's Year is a lot of humbug." This was the angry response of Laura Sabia, chairwoman of the Ontario Status of Women Council, in reference to the government campaign of glossy words. The Council believes, as do many Canadian women, that International Women's Year is a time for action to improve the status of women in Canada.

This kind of sentiment is becoming widespread. Speaking at York University, Stephen Lewis charged: "It is manipulative, to give authenticity to things that don't exist... it is giving a status to tokenism."

As Sabia wrote to Mary Gusella, director of the International Women's Year Secretariat: "Let government, both federal and provincial, implement the recommendations of the Royal Commission Report — a wide dissemination of contraceptive information; changes in the Divorce Act; take abortion out of the Criminal Code; a network of day care centres; a new Labor Standards Act without the limitation clause; new family property laws, etc." This is the only course to be taken if serious changes are to be effected for women in Canada.

But the Canadian government does not have this view in mind for International Women's Year. Instead, Health and Welfare Minister Marc Lalonde, the man put in charge of this year-for-women, is concentrating his efforts on changing attitudes as a substitute for changing conditions.

For instance, Lalonde, using a typical Liberal government anti-woman apologia, says that he can't

see the issue coming before the House of Commons before 1978, because he doesn't think the majority of the public is yet ready for change. He is quick to forget the majority pro-abortion sentiment recorded in Gallop Polls, editorials in the papers and the recommendations from his own government's Royal Commission on the Status of Women when he makes such a preemptive statement. The Liberal government doesn't wait for the majority of the public to be ready for change when they pass legislation in the interest of the male-dominated ruling class — when they impose higher taxes on working people while giving tax handouts to the corporations; when they sell out our resources to the US big business interests in Syncrude; when they institute the War

continued on page 2

March for women's rights

continued from page 1

Measures Act against the will of the Quebecois nation, etc.

It is obvious that the Trudeau government is not operating in the interests of women in International Women's Year or in any year and it falls to the women of Canada to take action to force the government to implement the changes that women have been demanding for so many years.

The call for action has been launched by a group of women who coalesced during the weekend of workshops sponsored by a wide variety of community, women's and political groups at Toronto City Hall on International Women's Day. Out

of almost every workshop came the motion to hold a cross-country day of protest on Saturday, May 10, calling for women to unite in a mighty demonstration to compel the government to implement the Royal Commission Report.

Such a show of solidarity on the part of women across the country would be the important first step necessary to form a pan-Canadian movement of women to make International Women's Year a year of change for the millions of women in Canada.

The Liberal government has \$5 million to spend on a campaign to enhance the image of women this year which involves mailing "Why Not" buttons and advertising to "change peoples' heads." Their efforts are guided by the hope that they can tip their hat to widespread feminist sentiment, co-opt its spirit with flashy slogans and straddle it with a leadership trained in the backrooms of the establishment. Faced with this insult and challenge, it is essential that a force of women, united around a national action focused on Ottawa, the seat of government power, be mobilized. Actions like this can provide the co-ordinated impetus to change the reality of women's lives.



Last tango in Europe — Can - U S free trade option?

By Ross Dowson

Prime Minister Trudeau's rounds of discussions with the heads of state of the major powers in the European Economic Community are, as he has said, in pursuit of Canada's Third Option. Canada is being overwhelmed economically, culturally and politically by the US imperialist colossus. If the government and state apparatus, as representatives of the Canadian capitalist class are reluctant to

scion of a millionaire family, and his big business advisors reject out-of-hand the socialist option — the organizing and planning of the Canadian economy, not for profit, but for use, in the interests of the working people.

Hence Option Three — and Mr. Trudeau's tour. It is designed to convince the Europeans that they should deal with Canada as a politically distinct entity, one that should be dealt with directly, not through some other (discreetly

return with an order for a CANDU reactor, from Italy, and possibly with an agreement that will allow Canadian businessmen to sell some Cheddar cheese once again to England, and with a better chance to sell some Canadian cereals within the Common Market.

In puzzlement as to what Trudeau hopes to achieve, Dr. Ir A. Vondeling, speaker of the Dutch lower house, said to a reporter; "Maybe he wants to be on another continent. Don't you already have a common market with the US?"

While some sectors of the Canadian capitalist class, the decisive ones, have accepted a junior partnership in the exploitation of Canada's vast natural resources and work force, no doubt others have hoped to achieve an element of independence and some maneuverability through the encouragement of trade and investment by rival German and Japanese capital interests. The meteoric growth of the German and Japanese economies and the strains on the US economy have led some to believe that Canada could play on inter-imperialist rivalries to break out of the US stranglehold.

While the sixties witnessed a quantitative leap in the weight and strategic position of US capitalist investment in the Canadian economy, the Auto Pact, signed on January 16, 1965, which planned car and truck production and sales with the aim to maximize profits on a continental basis, signaled a qualitative change in the process. With the Auto Pact the process of the integration of the Canadian economy with that of the US advanced. Long a supplier of essential and key raw and semi-processed materials to US industry and a market for manufactured goods, with the energy crisis and the US oil corporations' capture of Syncrude and the development of the Alberta tar sands, and now the strategic Mackenzie Pipeline, the process of Canada's integration with the US would appear to be irreversible.

US corporate interests have so tapped into the arterial structure of the Canadian economy that it would



accept this situation — Option Number One — they are proving powerless to prevent it. Should they continue to respond with vast financing from the public treasury, as they have in the case of Syncrude, which while giving them some equity in fact actually subsidizes the US corporate takeover? Or should they respond with various forms of protection such as the totally ineffectual Foreign Investments Review Agency? Option Number Two!

Needless to say, Trudeau, this

unnamed) large power.

Despite the inspired press releases flowing from his public relations officers about his winning the support of the Italians for a treaty with the European Economic Community, about his establishing contractual links through the Dutch and getting a foot-in-the-door, thanks to the Germans, Mr. Trudeau's trip has been an abysmal failure. As one commentator phrased it, Trudeau's posture of statesmanship has slipped to mere salesmanship. He may possibly

→ to page

seem next to impossible for any rival imperialist interests or even a combination of them to get a share in, let alone dislodge them in any sector. Japanese imperialism has shown considerable interest in Canadian resources. Almost the entire production of copper in BC, valued at \$500 million in 1973 and half the total Canadian output of its most valuable mineral after oil, was exported to Japan. Japanese capital has not developed anything — the copper is obtained by the most ruthless forms of resources exploitation and shipped in concentrate form. Japanese investment under its government's close supervision takes the form of long term contracts, financed by loans (debt capital as opposed to equity capital) to aid in the development of the sought-after resource.

In the few cases where Japanese interests have acquired an equity position, the size of the participation, according to *Financial Post* (Jan. 18, 1975) has been minor, the largest being Sumitomo's 22.5 percent interest in Bethlehem Copper, subsequently sold. In no single instance has a company been Japanese-controlled although this does not mean that Canadian interests have necessarily retained this power since several of the producers are dominated by US or European interests. Ottawa, to protect the Auto Pact has taken punitive action against Japanese cars.

As Trudeau left for what now appears to have been a last tango in Europe, information on a confidential report of the Economic Council of Canada, four years in the making. *Looking Outward: a Canadian Trade Strategy for a Changing World* was blazoned across the front page of the *Toronto Star* (Feb. 19).

The key recommendation of the

ECC is a Canada-United States free trade union. The proposition "is bootlegged" according to the *Star* "behind the recommendation for multilateral free trade among Canada, Western Europe and Japan, an option that no council member or staffer takes seriously."

The Economic Council is an advisory body established by act of parliament in 1963. It is composed of three fulltime members, a part-time advisory board of 25 corporation heads, labor leaders, educators and consumer representatives; its chairman is Andre Raynaud, former economics department head of the Universite de Montreal, and it has a staff of some 40 economists.

Among the business representatives are such notables as J.A. Kostiuik, president of Denison Mines, A.M. Runciman, president of the United Grain Growers and board member of Massey-Ferguson, Graham Towers, past president of the Bank of Canada and R.W. MacIntosh, ex vice-president of the Bank of Nova Scotia. The latest draft of what is a 12-chapter report is to get approval when the full council convenes in April.

The free-trade-with-the-US proposition, now openly supported by important forces in influential business and government forces, if implemented, can only lead to an acceleration and completion of the process of Canada-United States integration, with the most sweeping implications, not only for the Canadian economy but for the government and the state itself.

The report predicts that "free trade would produce a quantum jump in the productive potential of Canadian manufacturing industries with results that would pervade the entire economy." It urges not "a whittling down of tariffs" which are "a mish-mash of residual protection" for less strategically important sectors of the Canadian capitalist class, but that "reductions

in tariff barriers should be deep."

While the Canadian economy has been considerably reshaped by the rapid expansion of US monopoly capitalist interests in the Canadian economy, over the last two decades, such changes as the ECC visualizes would have a devastating impact on whole sectors of the economy and the circumstances of the working class in particular.

An earlier draft of the report, according to the *Star*, projects that a Canada-US free trade agreement would result in a 10 percent increase in real income, with about \$800 for each individual by 1985, and that the cost of living would drop by 4 percent.

On the other hand another process could take on new dimensions. In recent years the authority and integrity of the Canadian ruling class and its political representatives have become increasingly compromised in the eyes of the Canadian people, particularly its youth. Within Canada, as the US has come to dominate the strategic heights of the economy, they have increasingly and more obviously served as the agents of US monopoly capital. On the world political arena, they have even more shamelessly functioned as apologists and cover-up artists of the US counter-revolutionary imperialist strategy.

With Canada-US free trade and Canada-US integration, US imperialism, as the powerhouse of world reaction, will be further strengthened. With the crisis and disarray among Canadian ruling class circles that such a project as free trade with the US colossus reveals, the credibility of this ruling class is further drastically undermined. Such a discredit is one of the prerequisites for any fundamental social change which is becoming ever increasingly necessary both in Canada and on a world scale.

Editor: Wayne Roberts

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Unholy alliance rules out worker's health

by the Editors.

The daily slaughter of workers from toxic emissions of asbestos dust at the Johns-Manville plant in Scarborough, Ontario, is not an isolated event. The air we breathe, the water we drink and the conditions we work under are still as much a threat to the health and safety of Canada's people as in the time when Upton Sinclair wrote *The Jungle* and factories resembled slave camps.

In the Thetford Mines in Quebec and in other areas in the province, 6,000 miners work in dust that can kill and cripple them. In Northern Ontario's Elliot Lake region, 136 cases of radiological silicosis have been reported, and 100 more uranium miners are in danger. Lead smelter operations exceed safety levels across the country. Inco's Sudbury plants continue to smother the city with deadly sulphur dioxide emissions.

Health inspectors report that workers have been found exposed to dangerous levels of radium radiation in 14 locations throughout Ontario. In Quebec, two workers for a Noranda Mines subsidiary have died from arsine poisoning in a copper refining plant.

In response to growing protests, the Ontario government has set up a commission to enquire into safety standards in the mining industry. The following information has already been brought to public attention:

—severe cutbacks in safety personnel have resulted in dangerous working conditions at Inco's operations in Sudbury. The United Steelworkers' safety committee has accused the government of "gross indifference" and stated that the primary function of provincial mine inspectors seems to be "to look for evidence that will find the company not guilty."

—In Inco's Port Colborne operation, there were reports of 2,037 accidents affecting the 1,258 refinery workers in 1974. The president of Steelworkers Local 6500 accused the company of using unsafe chemicals causing lung scarring, ulcers, liver damage and cancer.

The labor movement and the NDP have responded to this epidemic of injuries, killings and industrial criminality with anger and outrage. The Steelworkers Union has shown how the Industrial Standards Act fails to protect open-pit miners. William Reezes, of the safety committee of local 6409 stated recently that "It has long been the contention that mining inspectors have been more representative of the mining companies than of the Mining Act."

A science professor associated with the Steelworkers Union, Fred Knelman, has accused the Ontario government of a "cover-up" of miners' deaths and accused the government of "collusion with industry". The Ontario Federation of Labor has claimed that unions "get the 'run-around' from the province when they try to get safety standards enforced."

Lynn Williams, director of District 6 of the Steelworkers Union, has blasted the Mines Accident Prevention Association for being dominated by mining companies. He also called for a declaration of rights for workers whose health may be jeopardized at work.

The Ontario NDP has made the issue of safety for miners a major concern. In a brief to the commission on mine safety standards, Stephen Lewis, ONDP leader, tabled figures obtained from government sources indicating that uranium mines in Ontario have exceeded maximum safety emission standards three times over consistently for 18 years. Lewis posed a question to the commission: "How do you break down the special arrangement, the unholy alliance, the conspiracy of silence between the Ministry of Natural Resources and the mining industry?"

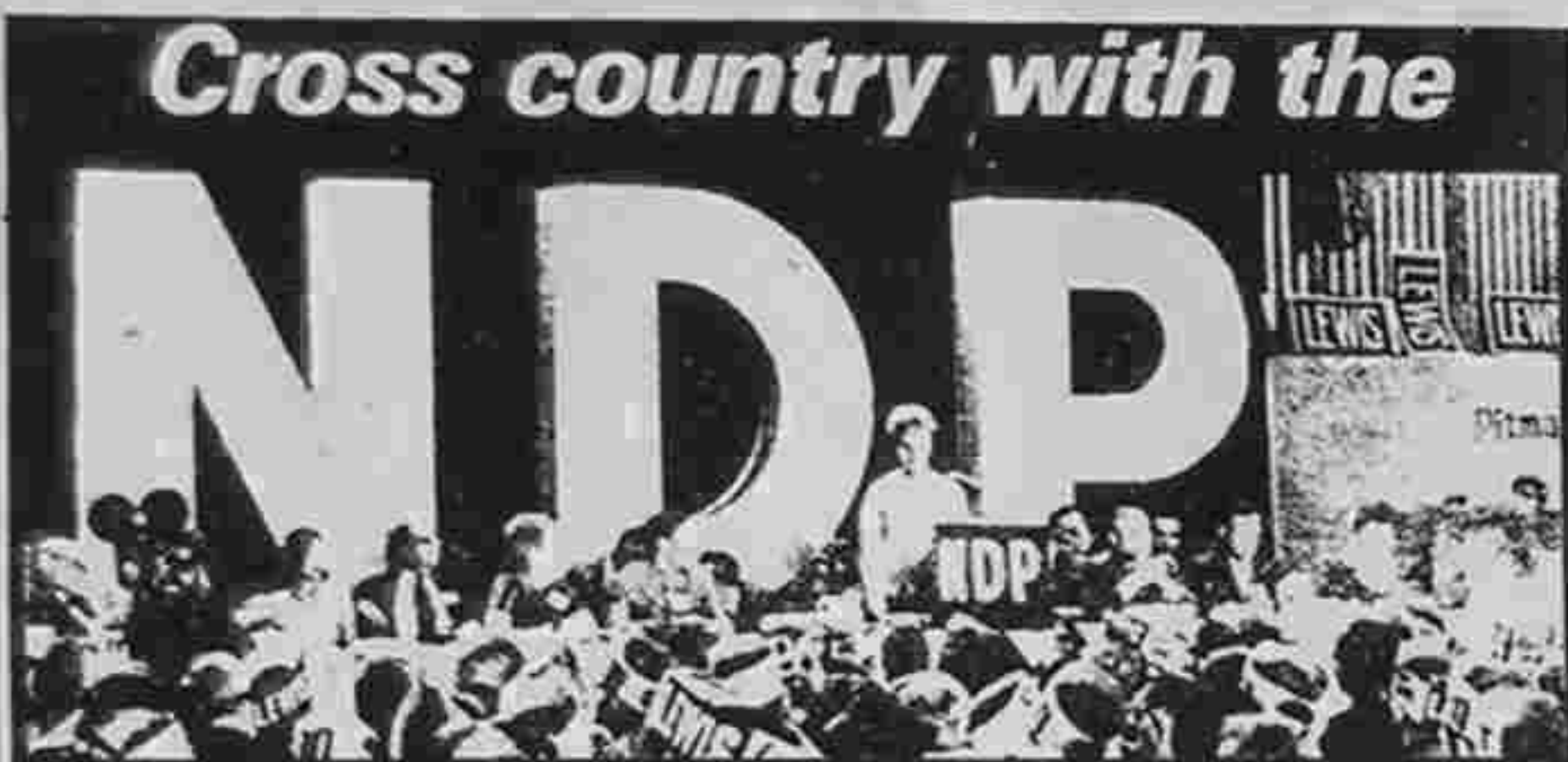
The answer is simple. Capitalism is a system based on production for profit. The owners of the mines, the refineries and the plants disregard safety standards, quality control checks on new chemicals and safety improvement in machinery in their singleminded pursuit of maximum profit margins. The priorities of the capitalists, who control the government of Ontario, put profit before safety.

As competition between capitalists intensifies on the world market, as the pressure for keeping up with technological innovations in production becomes more intense, "frills" like safety standards and equipment are the first to suffer cutbacks. The cases of industrial murder are going to multiply as the pressure for cheaper methods of production become more intense.

In light of the revelations from the union movement and the NDP, the argument for socialism is not an academic one. Capitalism in its imperialist stage is capable of madness and murder beyond imagination.

As labor reporter Rachel Scott argues in his recent book *Muscle and Blood*, the truth of industrial slaughter "has been hidden so successfully for so long perhaps because if the truth were fully known, the American profit system would be shaken to the roots."

The case for safety inspections by government and union officials, the banning of lethal materials, leave with full pay for workers injured or threatened on the job, for the passing of new and stringent regulations shutting down mines and plants which destroy workers, is being made daily by the brutality of the capitalist robber barons themselves. The real task is to build a broad-based movement which can challenge the capitalists with this program of safety, guaranteed of enforcement by workers control and responsible to a party of workers in power. In the massacres that are taking place in the industrial battlefields, the alternatives are becoming clearer—socialism or death.



Cross country with the NDP

By Anne Macdonald

Student activists identified with the NDP are beginning to move out. At York University in Toronto, the NDP club has supported and is participating in the United Left Slate campaign for students control. The campaign focuses on opposition to the Ontario Tory government's cutbacks in education.

At the University of Toronto, a campus NDP club affiliated with a local riding sponsored an important series of talks on the theme "Building a Humane Environment". Considering the previous lack of an NDP presence at U of T, the attendance was modest but successful. The NDP club can become an important part of campus politics as it develops its involvement in campus issues. Some indication of the potential is revealed by a follow-up bear-pit session with Stephen Lewis at outlying Scarborough College, attended by 400. Preparations for an NDP club there are now off to a flying start.

In a draft statement of purpose,

Federal leadership

As all the more prominent and "logical" candidates for the leadership of the federal NDP step back from the challenge, the arena is opening widely for a whole layer of far less auspicious though far more diversified contenders. Interim parliamentary leader, MP Broadbent and the three provincial NDP premiers, Barrett, Blakeney and Schreyer have all declined to enter the race.

At the moment, BC MLA Rosemary Brown and right wing Ont. MP Max Saltzman are the only declared candidates. However a host of MP's, MPP's, MLA's and ex MP's are all still toying with the idea of also entering the race.

It looks as if the non-political unpolarized rah-rah campaign which the party leadership would undoubtedly have preferred is pretty well out of the question. In her opening statement, Rosemary Brown said: "It is my intention to run a strong campaign based on a commitment to socialism, feminism, preservation of our natural resources, the protection of our environment and for the rights of workers and all people." With such

the club pledges to become an "active political body which will benefit both the University and society as a whole." Their statement condemns capitalism as "an economic system which puts profits ahead of people" and outlines the NDP's "special responsibility to offer people a genuine alternative to the established parties. In order to point the way in the future... we may find ourselves increasingly returning to the original ideals which inspired the men (sic!) who founded our party in the hope of achieving a Cooperative Commonwealth."

As the current recession continues to strike at students through educational cutbacks and the crisis of unemployment and underemployment of university graduates, the NDP has every basis for succeeding on campus. Vigor, pluck and involvement in student problems are sure to be rewarded with the raising of the political level of the student movement and the continued growth of the NDP.

an opening declaration, the whole campaign could be raised to a higher political level; and it is to be hoped that Rosemary Brown will soon follow her impressive opening with a policy platform stating specifically what she wishes to achieve and how as the leader of the federal New Democratic Party.



Rosemary Brown

BC women debate

The women's resolution passed at last year's BC NDP convention is still having its repercussions. A debate around it is presently unfolding in the pages of the BC Democrat. It is led by Vera Kristiansen and Melanie Conn from the BC NDP Women's Committee and is supplemented by several letters to the editor.

Kristiansen attacks the convention resolution on the basis of two very commonly held misconceptions about the women's movement. She presupposes that women's slogans around equality mean that the aims of the whole movement are nothing but equality with men. She then proceeds to denounce this, saying she far prefers sitting in front of the fire place watching her child wait for "yummy apple turnovers to cook" than replacing her husband at his saw mill job.

Conn effectively counters that: "Equality is not the goal of the women's liberation movement. Who would want equality with men who are oppressed? We seek a total transformation of society."

Kristiansen's second misconception is her rejection of the Ministry

of Women's Rights. She considers this to be "special treatment" and a violation of the goal of equality.

Conn and one of the letters to the editor substantiates how women do have special problems; particularly in that they are denied free choice and are heavily pressured into doing one type of work, namely housework, which is unpaid and completely unrecognized in terms of qualifying for either paid work or a pension at any time later on. Conn goes on to ask: if such aspects of the NDP program as support for repeal of the federal abortion laws, 24-hour free community-controlled child care etc. do not signify a "privileged status", how could the demand for a Ministry of Women's Rights to enforce these demands be so interpreted?

The farreaching proposals of the women's resolution, passed at the last convention of the BC NDP, are an important contribution to the developing socialist and women's movement across the country. It is heartening to see that supporters of the resolution are coming to its defence and opposing misconceptions and misconstrued insinuations.

The women's movement in the NDP is in the forefront of the struggle against oppression, for equality and for the socialist transformation of society.

Alberta convention

The 12th annual convention of the Alberta NDP took place in Calgary over the Jan. 31-Feb. 2 weekend. The expectation of the since-announced provincial elections was reflected in the convention's heavy emphasis on party unity, organization and image. Policy resolutions and debate received little emphasis.

Some of the organizational information which was reported, however, is impressive. Over the last 12 months the party membership grew by 50 percent to approximately 4,500. The party is facing the coming elections with about \$100,000 in its war chest and intends to field a full slate of candidates. The Alberta Federation of Labor also pledged its full support.

A resolution proposing nationalization of Esso won unanimous approval from the convention. This was one policy area which received serious emphasis. Gaining back control over energy industries was seen as the first step towards reasserting control over the province's economy. Provincial leader and only sitting NDP MLA, Grant Notley said: "A public oil company must be established, strong enough



Grant Notley, "a Syncrude election"

to withstand blackmail by the industry... Alberta should be willing to offer part of our windfall in royalties and taxes to facilitate joint nationalization of vertically integrated Esso (Imperial Oil Corp.) by both the federal and provincial governments."

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Business attacks NDP

All three provincial NDP governments face increasing threats and blackmail by big business and its government in Ottawa, in their efforts to increase corporate taxes to pay for improved social benefits. There are two ways in which these labor governments can respond. They can retreat, withdraw the tax increases and with it the social programs, or they can stand up to the big corporations. Up to now, all three governments have attempted to respond by counterposing a greater direct government involvement in several areas of the economy.

In Manitoba the mining industrialists threatened to reduce their output if the government acted on its new regulation which gives it the right to participate up to 50 percent in any new exploration or development program. Mines Minister Sidney Green countered: "Under our new policy the public sector will step in to fill the gap if there is any reduction in private exploration and development". The NDP government will develop mines by itself through the government's three-year-old Manitoba Mineral Resources Ltd.

The Saskatchewan government too is forcing mining exploration firms to offer the government a 50 percent share in northern projects, while at the same time the government-owned Saskatchewan Mineral Development Corporation is ready to expand its own exploration activities, extending to the potash industry. When the potash giants slowed down their production to sabotage the government's justifiably increased taxes on their profits, Elwood Cowley, Mineral Resources Minister announced the establishment of Saskatchewan's first fully

government-owned potash mine, an undertaking, estimated at up to \$200 million of investment.

In BC, the government took over the failing Panco Poultry processing plant in Surrey and is presently seriously considering the takeover of the CP's Seattle to Victoria ferry which has been discontinued despite the line's profits of \$187 million last year.

All these steps are encouraging, especially since they represent a determination on the part of these labor governments not to buckle under to blackmail. However, there are problems arising from the governments' unwillingness to systematically apply the principle of the public ownership to major sectors of the economy. They end up stumbling onto public ownership—the only avenue for a labor government—only after blackmail threats and campaigns by big business and a strong residue of confusion and apathy in the public. This route denies the NDP governments the possibility of mobilizing the population in concerted and conscious campaigns against the power of big business.

Moreover, this type of "mixed economy", or rather "mixed-up economy" has no chance of replacing production for profit with production for human need. Nor does it allow for the introduction of industrial democracy where working people would come to run their plants and determine the overall economic priorities of the country.

That is the socialist alternative to capitalism. To get there will require a far more positive, broad and active approach to public ownership.

Manitoba convention

How to avoid the obligation of having to adhere to the political line established by adopted convention resolutions has been one of Manitoba NDP Premier Schreyer's more obstinate problems. Well, the February 14 to 16 convention may well represent a breakthrough for the leadership in this direction.

The major part of the convention was manipulated by the leadership under the pretext that they were implementing one of last year's convention resolutions. That resolution called for the creation of a platform or "Manifesto". This platform, which is expected to take almost two years to evolve, is to state clearly the party's goals and methods of creating a social and economic system. It is to be the platform for the next provincial election "assuming the election will be held after the adoption of the program". Otherwise presumably the next convention can be used in the same

way all over again.

This "platform" gave the leadership a pretext to replace convention debate with panels.

This of course drastically reduced the possibilities of discussing most of the other 400 resolutions which had been submitted to the convention. These contained demands ranging from milk subsidies to ensure a 30c per quart price, to the enactment of community property laws to offer equal protection for both partners in marriage, to salaries for housewives or men who stay at home to look after children, to the nationalization of funeral homes, the Greater Winnipeg Gas Company, the Manitoba Sugar Refining Co., Transair and all nursery schools operated on a profit basis.

These resolutions from the membership stand in stark contrast to a recent statement of Premier Schreyer: "The fact is, health and social services are just about

Block deportations

The Committee Against The Deportation of the Haitians has called for a mass rally to protest the deportation of Rosie Douglas to Dominica and 1,500 Haitians living in Montreal to Haiti. The rally will take place March 16, 7:30 p.m. at the Ontario College of Education.

The committee is open to all individuals and organizations and has already received warm endorsement from John Rodriguez, NDP MP from the Nickelbelt, NDP energy critic T.C. Douglas and many others.

If deported, the Haitians face almost certain jail or death sentences in Haiti. Rosie Douglas, only one month removed from a five-year residence in Canada which would grant him legal domicile here, is faced with a certificate which brands him a "risk to national security". The trumped-up charge stems from his participation in a 1969 sit-in at Sir George Williams which challenged some racist professors.

A widely-respected leader of the black movement, Douglas faces certain persecution if he is deported to Dominica where his book *Chains or Change* is banned and where the government has a free hand to repress political opposition.

A committee has been formed to defend him, specifically: The Rosie Douglas Defence Cttee, PO Box 194, Station P, Toronto. The Haitian Cttee can be contacted at 44 St. George St., Toronto.

rounded out . . . I cannot for the life of me think of what else there is to do." How about for starters trying universal dental care, free post-secondary education and greatly expanded government facilities for childcare?

Hugh Dowson, worker—militant & socialist



Hugh Dowson

Feb. 12, 1922—Feb. 13, 1975

The following article is based on an address by Ross Dowson of the Socialist League at a service held in memory of Hugh Dowson at the chapel of the Toronto Necropolis and Crematorium on February 17, 1975 and attended by some 130 friends and associates of the deceased and his family.

It was preceded by an address by Murray Dowson on behalf of the family, by a contribution of Ed Corbett of Douglas Local 1967 UAW-CIO, and followed by contributions of Vern Olson of the League for Socialist Action and Bob McCarthy of the Revolutionary Marxist Group.

The picket line mobilizations, the protest demonstrations, the solidarity actions, all such struggles as have taken place over the past thirty years and all those that will continue in the days ahead—from this time on—will be a head shorter with the death of Hugh Dowson.

He was always there, building them, steeling their ranks, distributing leaflets, carrying banners, shouting slogans. And now, he will no longer be there. He will be there only in spirit, in those who took courage and inspiration from him, or from the collectivity that has come out of his contribution.

Whether as an individual on the shop floor by a mill or a lathe, or as a steward, a committee man or a picket captain, in local union meetings, area assemblies and councils, no matter the level, he was a tireless advocate of militant class struggle policies over a span of some three decades in Windsor, Vancouver, and Toronto, for the most part under the banner of the United Automobile Workers.

Hugh Dowson was a worker-militant, an exemplary worker militant—one who not only moved out in the radical forties, but knew how to hold on during the fifties and to take the necessary initiatives in the sixties and seventies. He played an extremely important role as one of the few, and therefore all the more precious, links that the relatively small though vigorous band of revolutionary socialists had with workers-on-the-job in the mass

production industries of this country. He was grounded and rooted in the industrial working class of Canada. He helped to temper, to stabilize and thereby deepen the thinking and the actions of the Canadian Trotskyists.

What made him an exemplary worker militant was not only his high level of activity but his understanding that the chief significance of the day-to-day struggles of his class and its achievement in higher wages, better working conditions, was above all that they posed the need for, and the possibility of, a serious political struggle against the capitalist class, and that the resolution of this struggle could only be through the establishment of a socialist society in Canada and on a world scale. For this there was required a combat party of revolutionary socialists rooted in the working class.

Hugh came to commit himself to socialism in his own way, and only in part through the influence of his two older brothers and his experiences as a youth in Canada. He joined the Trotskyist movement, not in Canada, but while working as a technician in the Canadian tactical airforce in Europe which suffered some of the most horrendous crimes committed by imperialism during World War II, which he witnessed with his own eyes.

On his own initiative he established contact with the Trotskyists in England who, thanks to the power of the working class movement there,

were not driven underground as their co-thinkers in Canada but were openly campaigning against the war and for a socialist Britain. While the cultural achievements of Europe and hundreds of thousands of her working people were being destroyed, Hugh, particularly by obtaining scarce paper, ink and reproductive equipment, joined with the British Trotskyists and the European partisans of the Fourth International in their efforts to propagandize for a Socialist United States of Europe.

After participating in the "We Want Home Now" armed forces movement which blocked the use of Allied forces against the USSR, he stepped into the tiny Canadian Trotskyist movement then trying to link itself up with the powerful post war industrial union upsurge. His savings and rehabilitation grants helped launch the Trotskyist press, and from then on in Hugh was one of its financial mainstays. From the time of his return from Europe in 1945 until he excused himself for not feeling well from a Socialist League meeting on the fateful evening of February 13, he maintained an unflagging commitment to the cause of the Canadian working class and the world socialist revolution.

His marriage to Claire Lagace, the birth of their four children and his love and devotion to them added a new dimension to his commitment to socialism. His commitment was total, and while passionate, it nonetheless contained a serene element.

an expression of confidence, no matter the vicissitudes, in ultimate victory.

The new generation of revolutionists, particularly those who have come to Trotskyism in the past five years since he suffered a massive heart attack in the fall of 1970, were deprived of an opportunity to arrive at a full and correct assessment of his contribution as a worker-militant. Faced constantly with the danger of death he had to pull back to protect himself from the stresses of the struggle. But in his last year, with the formation of the Socialist League and the new motion in working class ranks, despite the dangers, he gradually commenced a process of increased activity on every level. His fall leaves a big gap in the

socialist ranks which, despite his example, will not be filled. But the fighter he was would have us rearm ourselves in the spirit of the Industrial Workers of the World which he admired, and the words of its poet Ralph Chaplin:

Mourn not the dead that in the cool earth lie—
Dust unto dust—
The calm, sweet earth that mothers all who die
As all men must.
But rather mourn the apathetic throng—
The cowed and the meek
Who see the world's great anguish and its wrong
And dare not speak!

Comments on Canada by Fourth International

The documents of the 1974 World Congress of the Fourth International have finally appeared in the December 23, 1974 issue of Intercontinental Press. The Political Resolution contains a section on Canada which we note in passing makes no mention of the Canadian labor party formation, the NDP, or of the nationalism which has risen out of the "dependent" and "satellite" character of the Canadian state and the Canadian capitalist class in relation to US imperialism.

We reprint this section as a service to our readers. All the documents can be obtained by sending \$2.50 to ICP, P.O. Box 116, Village Station, New York, N.Y. 10014, U.S.A.

Canada has enjoyed a period of economic prosperity as prolonged as that of the United States, thanks to its basic role under the North American division of labor as an exporter of raw materials, its privileged commercial ties with the United States, and the overall satellite character of its economy in relation to that of the United States. And it has experienced a much greater overall political stability. Canada's position as a subordinate (though largely autonomous) component of a continental economy dominated by U.S. capital worked to its advantage during almost the whole period between the end of the second world war and now. But because of this dependent relationship, Canada's political, economic, and social stability rest, to a degree unparalleled in any other imperialist country, on the good health of the U.S. economy. The difficulties the

latter has encountered have had almost immediate repercussions on the Canadian economy. At the present time a whole range of factors linked directly or indirectly to this dependence on the United States is helping to undermine the stability of the Canadian state and is making increasingly obvious its artificial and unviable character as a distinct capitalist state. Its extreme dependence on foreign trade (especially with the United States and certain countries in the European Economic Community) makes its economy highly vulnerable to protectionist measures. The weakness and distortions of its manufacturing industry; the growing national consciousness of the Acadians, the French-speaking population of Ontario, and the native peoples; the extreme regional fragmentation that characterizes its economy, social structure, and political system—a fragmentation that is reflected in the absence of a solidly based political team capable of expressing the interests of the Canadian bourgeoisie as a whole—all these things tend, given the present conditions and above all the possibility of an international recession, toward a sharp domestic crisis that could well call into question the entire internal cohesion of the Canadian state.

Although the Canadian working class as a whole has not yet experienced massive mobilizations on a national scale, it has been possible to observe a notable increase in working-class militancy over the past few years, as well as an increase in sharp confrontations between

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Fourth Int'l expresses views on Canada

continued from page 4

important sectors of the workers movement and various levels of the Canadian state (federal or provincial). Examples of this are the rail strike, the massive mobilizations of the trade unions in British Columbia, the teachers in Ontario, the post office workers, and the hard-fought exemplary strikes in light industry that have given rise to broad

mobilizations of worker militants on a local scale. For a small but growing number of trade-union militants, these confrontations are beginning to pose the problem of violent intervention by the state. Fundamental concepts about the urgent necessity of organizing workers self-defense are beginning to emerge.

In all North America it is only in Quebec that workers mobilizations have taken on a massive character almost in one leap. The general strike of the public employee unions' Common Front—along with the semispontaneous and more or less generalized walkouts in May 1972, the experiences of workers control, and the occupations of towns—constitutes the most significant mobilization of any sector of the North American proletariat in the

last twenty-five years. Far from being decisively crushed by the defeat of the Common Front, working-class militancy was demonstrated all during 1973 by a wave of strikes in the private sector. The burden of national oppression, the extreme combativity of the proletariat, the economic crisis that has been endemic since 1964, the weakened economic and political state of the Quebecois bourgeoisie, the weakness and heterogeneity of the trade-union bureaucracy, and the intensity of the social contradictions make Quebec the weak link in the chain of North American imperialism.

The greatest subjective obstacle on the path toward the Quebecois revolution is the Parti Quebecois. Given the absence of independent

working-class political organizations, this bourgeois-nationalist party has won the allegiance of the overwhelming majority of the organized workers movement. The intensification of the class struggle, however, is tending slowly but surely to detach a growing number of advanced workers from the influence of the Parti Quebecois, paving the way for violent actions, outflanking the bureaucratic and nationalist movements. To date, the struggles of the Quebecois proletariat have had an influence only on a few isolated vanguard militants in the Canadian working class. But as social tensions increase in Canada and the United States, the example of the Quebecois working class will be followed by broader layers and will constitute an important radicalizing factor.

All the changes that have been described reflect a gradual transformation of the political and social situation in North America. This will provide historic new opportunities for a revolutionary intervention within the proletariat of this continent.

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All the changes that have been described reflect a gradual transformation of the political and social situation in North America. This will provide historic new opportunities for a revolutionary intervention within the proletariat of this continent.

York left slate victory



Dale Ritch

A United Left Slate formed to fight the cutbacks in education, government racism and the inequality facing women emerged victorious in student council elections at York University in Toronto. The slate's success extended to 13 of the 21 posts it contested. It won the presidency with a whopping 48 percent plurality — the remaining votes dispersed among nine other candidates.

The victory was earned in the face of unparalleled harassment against the slate. Despite active support from a wide variety of student groups and organizations, including the campus NDP club and the student paper *Excalibur*, former student council officials were

unrestrained in their attempts to block the slate's success. Their maneuvers encompassed everything from technicalities which denied the slate the possibility of electioneering during three key days to disqualification of ULS presidential candidate Dale Ritch. When the ULS overcame these obstacles and found a surrogate candidate to run in Ritch's place, the council-appointed tribunal made its last-ditch effort by disqualifying the presidential elections as a whole.

The campaign was also marked by vicious red-baiting, with blood-red "Vote Communist — Vote ULS" posters plastered over the campus on the eve of elections. Intended to appear as actual ULS material, the posters were also designed to disqualify the slate for illegal last minute electioneering.

The jubilant slate council members have set their first task as preparing a wholehearted campaign to mobilize the student body against university administration restrictions on student rights and against government-imposed cutbacks in education.

Forward opens annual drive: \$5000 by May 15

Ten months ago, we launched *Forward* to provide a socialist, labor paper that would speak to the interests of working people. We began by giving clear and unequivocal support to the NDP in the federal elections. By September, with several hundred subscriptions garnered from the election, we were ready with the second issue, taking the paper to Labor Day marches with our support of TTC strikers and to NDP conventions in BC and Ontario.

Our fund drive appeal for \$4000 appeared in that issue and was directed to those who supported our efforts to carry the transitional program and ideas of socialism into the labor movement. With that money we were able to start the paper off and publish it on a regular basis.

The challenges and opportunities before socialists have never been greater. NDP governments in three provinces are under persistent attack by big business. Interest and activity in the NDP is reviving across the country. The sell-out of natural resources to US imperialist corporations continues. Injury and death haunts workers in a system which puts profit before life. Millions of new women are coming to feminist consciousness which hungers for a socialist analysis, but which the government is trying to co-opt with fine phrases. There are the beginnings of new developments in the student movement. There is an unprecedented strike wave as workers strive to defend their standard of living. Inflation, stagflation, recession and now, what fashionable economists call in-flump, demand a socialist analysis.

Forward has taken advantage of these opportunities by a policy of free mass distributions at labor, women's and NDP meetings. Although this has helped expand our sub base and circulate popular socialist ideas among newly awakening militants, it hasn't paid our bills. It has increased our political capital on which we hope to grow in the following year.

But, as we begin that year, dating it from May 15, the month of international working class celebration and protest, we need money. Money for typesetting, printing, mailings, graphic materials and new equipment. It is the bare minimum we can survive on for a year.

This issue, as all others, reveals the major challenge before working people — corruption, US takeovers, oppression, exploitation and even death — or socialism. Help humanity take the socialist road. We appeal to you to help us in our first annual fund drive.

SL debates human alienation

Christian versus Marxist solutions to alienation was the subject of an important debate taking place at York University on March 4.

Samuel Escobar, a director of the InterVarsity Christian Fellowship, and a former student activist in Peru took the position that alienation from Christ was the fundamental source of alienation. Although he favored removing the material basis for alienation, he felt that only through Christ could the individual be activated and freed.

Gord Doctorow, executive secretary of the Socialist League took the position that religion itself was a form of alienation — alienation of humankind from nature and itself. He stressed the centrality of alienation from labor under capitalism as the materialist key to understanding all forms of alienation. He extended this to students who are alienated from their own creativity by the arbitrary and subjective evaluations of professors over whom they had no control and which was being intensified by the government cutbacks in education.

The occurrence of such a debate testifies to the growing interest in and influence of Marxist ideas particularly among intellectual youth who are beginning to challenge the value structure of capitalist society.

Socialist League Marxist classes

The Socialist League has announced the extension of its series on the Marxist View of Life and Culture. To date, the classes have attracted a broad variety of people whose eagerness to share their views on the provocative and stimulating topics created engaging discussions and controversy.

The success of the series tells a lot about the period we are in. There is a hunger for ideas and for the values of socialism among all layers of the population. It also shows that these discussions and debates can be carried in a congenial and mutually enlightening way, free of narrow factionalism.

Topics for next month include: The Jewish Question, a Marxist Interpretation; Women's Evolution and Anthropology; the History and Development of Music and the Marxist View of Religion.

For further information, phone 363-6755.

US puppets routed in Indochina

By Paul Kane

With the fall of the Nguyen Van Thieu regime in Saigon the massive 10 year US imperialist aggression against the Indochinese liberation struggle has collapsed.

In a matter of weeks the world has witnessed the utter disintegration of the US puppet regimes in South Vietnam, in Cambodia and now Laos, and the collapse and rout of the US super-equipped armies before a massive sweep of the Khmer Rouge insurgents and the forces of the Provisional Revolutionary Government/National Liberation Front. In many areas, scarcely a shot was fired as the Saigon-based cabal disintegrated and their troops fled.

As late as April 10 US President Ford was pressing the US Congress for more funds in an attempt to continue Washington's efforts to crush the Vietnamese, which saw at one time as many as 540,000 US troops in Vietnam and witnessed the dropping of more bombs than were dropped by all sides during World War II and the Korean war combined. Now, Washington has ignominiously been driven to write off this shameful effort as a complete loss.

This body blow to US and world imperialism and stunning victory of world humanity is first and foremost a tribute to the peasantry and working class of Vietnam, to their indomitable heroism, to their incredible determination to resist, to struggle and to win — no matter what the price. It is so a tribute to those forces across the globe that mobilized in popular mass actions of every form in country after country against US aggression and the complicity of their governments in the counter-revolutionary struggle against the Vietnamese, and particularly is it a tribute to the people of the United States.

The US anti-Vietnam war movement which mobilized massive

demonstrations of hundreds of thousands in the streets of American cities and towns around the central demand of withdrawal of all US troops, that overcame CIA, FBI infiltration, provocations and official harassment at every level, played a key role in the struggle. It was instrumental in the resignation of President Johnson and the final withdrawal of US troops from Vietnam itself.

An entire generation of Canadians learned some of the basic facts of Canadian politics from the anti-war actions in Canadian cities against Ottawa's criminal complicity in US imperialism's war.

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Indochinese victorious

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With unmitigated hypocrisy and venality — from Prime Minister Pearson to Trudeau, from External Affairs Minister Paul Martin to Mitchell Sharp — the Liberal governments of Ottawa with the complete support of the Tories covered up and served as apologists and diplomats for Washington. They turned the Canadian economy and its work force into a research laboratory and arsenal for the US murder machine, supplying for many years over a billion dollars a day worth of defoliants, chemical warfare instruments, bombs and aircraft instrumentation.

They shamelessly used their pretended neutrality on the International Control Commission to not only cover up US aggression but on one occasion actually relay information from a privileged watching point in Hanoi to pinpoint targets for US bombing missions. Even now they are lending their official offices to try to whip up hysteria around the saving of the lives of tiny children who Canadian bombs helped make orphans, as if the liberation forces would commit atrocities against these helpless infants.

The struggle in Vietnam is not over. To be sure imperialism will attempt to hold on in any possible form and in any guise. But a qualitative turn has taken place. Imperialism in South East Asia has suffered a blow from which it cannot recover. The people now have the task of rehabilitating their ravished lands and establishing instruments of workers' control that will enable them to eliminate the remnants of capitalism and build a socialist society. Events are unfolding at such rapid pace that attempts to in any way forestall this process would seem to have little prospect of success.

The debate widens on the nature of Can

By Ross Dowson

What is Canada? Is it an imperialist power? And if so, is it, if only on a lower rank, in the same sense that the United States, Britain, or France are imperialist powers? Is this its basic characteristic? Is the domination of the Canadian economy by US monopoly capitalism irrelevant to the politics of Canadian socialists? Can they content themselves with following the same general strategy as say that advanced by their US and British counterparts against their respective ruling classes?

These questions have been debated in the Canadian left some ten years now and are once again

brought forth but taken to a higher level by Jack Warnock in the March-April issue of *This Magazine* in his article "Canada Sub-Imperialism — a reply." Warnock is author of *Partner to Behemoth* — the military policy of a satellite Canada, and, with Bruce Kidd, a co-editor of *Canadian Dimension*, the most widely circulated journal in the Canadian Left.

The occasion of Warnock's contribution was the publication in the previous issue of *This Magazine* of an article by Jamie Swift and Tim Draimin. *Forward* noted in its February issue, in almost the same words as Warnock, that the Swift-Draimin article is "an important contribution to the debate on the nature of Canada and its role in the world political arena."

As late as a little more than three years ago the chief axis of the debate in the Left was whether Canada had in fact, after having long been a colony of Britain, now actually become a colony of the United States.

Ernest Mandel, the eminent Belgian Marxist economist, on a cross-Canada lecture tour at that time was persistently confronted with that question from the floor.

Earlier in his work *Europe and America* (1967), commenting on the rise of US investment in the industrialized nations and noting that none of the industrialized nations "is currently being taken over wholesale by American capital" Mandel added a footnote: "It is true that there is an exception: Canada, a modern industrial nation where ownership of an absolute majority of the non-agricultural means of production has fallen to the USA."

In *New Left Review* (December 1969), in an article "The Law of Uneven Development" he further commented "there is not the slightest evidence to show that US imperialism controls more than 10 percent of the industrial means of production and much less the financial means of exchange of any other imperialist power (with the exception of Canada, which is indeed

a border case). There is for that reason not the slightest evidence that these powers (France, Britain, or Italy, not to speak of Japan or West Germany) have lost their basic independence as imperialist powers, and have become US semi-colonies."

Earlier in the same article Mandel wrote that "Such semi-colonial nations only arise when in fact the key industries and banks in the country are owned or controlled by foreign capitalists and when for that reason the State itself fundamentally protects the interests of the foreign imperialist class, as against those of the 'native' bourgeoisie. That is the situation in Greece, Brazil, Ghana or Iran today" (emphasis-E.M.).

In this essay of some five years ago, while declaring Canada an exception to other imperialist countries in relationship to the US, such as to qualify it as a "border case," Mandel does not record why he thought that it had not slipped over the border which separates it from Greece or Brazil which he designated as semi-colonies of the US. However on his late 1971 Canadian lecture tour he had occasion to clarify his opinion.

In a lecture arranged by Mel Watkins at the University of Toronto, in response to the question whether Canada is a colony, he noted the phenomenon of the penetration of one imperialist power into the economy of another — a process of interpenetration — as being a world wide development today." Canada, he said "is only the most extreme case of something that is going on everywhere." *

He said in passing that the formulation "imperialized imperialist country" has been projected by the American Marxist economist Martin Nicolaus "with a certain justification, but I think it's just a nice formula."

Noting the interpenetration of Japanese and US capital, he stated that "you have another type which is the Canadian situation . . . in which the weight of foreign capital is growing so quickly in the national

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economy that a certain loss of political independence of decision could come about. We cannot exclude that. This is a question of quantitative judgement. Whether this arrives when 50 percent of capital is in foreign hands or when 45 or 40 percent of capital is in foreign hands, we don't know, and this should not be seen in too mechanical a way.

"But in that case would the country become a semi-colonial country? I again say no, because the nature of a semi-colonial country is structural. It is not just a question of who owns capital. It is a structural question. It is a question of the relationship between industry and agriculture, average productivity of labor in industry and agriculture and so on and so forth.

"And what would happen in that case — and there is a lot of indication that certain persons, who I will not name, are considering this eventuality? What would happen in that case is the formation of a bigger

union, an absorption of Canada into a kind of North American Common Market area

"So the process of economic integration on an inter-national scale is something completely different from the process of transformation into a semi-colony. If you transform a country into a semi-colony you freeze economic inequality. You freeze a big difference in average productivity of labor and average income. If you have inter-national economic integration the opposite happens. You eliminate differences in productivity of labor. You tend to eliminate differences in income, welfare and so forth and so on.

"That is one of the reasons why capitalists in Hawaii and in Alaska, and I might make the prediction that some day capitalists in Canada too would not be hostile at all to an integration into the United States because they see that as a way of reducing the differences in income,

welfare, productivity of labor, access to raw materials, to capital etc. etc.

"So a process of inter-national integration is something entirely different from the process of transformation of a country into a semi-colony which means something very concrete from the point of view of economic underdevelopment.

"I might add, I don't want to go into all the paradoxes of the Canadian situation, but it is not by accident, that the capitalist class of the underdeveloped part of Canada, the capitalist class of Quebec is the least hostile to an integration of the Canadian economy with the United States economy, exactly for the reasons which I have just indicated, because for them such an integration is a means of overcoming their regional underdevelopment, and not at all a fear of over-exploitation. They feel already over-exploited in Canada as it is. They think it cannot be worse for them. If we are integrated into a bigger area, they think, well, we might profit from this integration more than by non-integration.

"I do not draw any political conclusions from this from everything that I have said, and I am certainly not advocating integration of Canada into the United States. That is not the question. But I have just tried to indicate some certain basic differences in judgement which you must make on a certain number of these trends going on today in the capitalist world economy."

Several days later Mandel addressed a large meeting at McMaster University in Hamilton following which he was again asked whether Canada was a colony of the United States. He answered in part:

"I do not think that Canada is a colony because I do not think that you can determine the structure, the social and economic structure of a country by formal criteria — the weight of foreign capital etc. The situation of Canada is a peculiar one. I think that the best way to describe it is with the formulation of the American Marxist Nicolaus with



Resources Minister MacDonald tells the US owners of Canadian oil resources "YOU'RE CUT OFF — BEAT IT."

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"So a process of inter-national integration is something entirely different from the process of transformation of a country into a semi-colony which means something very concrete from the point of view of economic underdevelopment.

"I might add, I don't want to go into all the paradoxes of the Canadian situation, but it is not by accident, that the capitalist class of the underdeveloped part of Canada, the capitalist class of Quebec is the least hostile to an integration of the Canadian economy with the United States economy, exactly for the reasons which I have just indicated, because for them such an integration is a means of overcoming their regional underdevelopment, and not at all a fear of over-exploitation. They feel already over-exploited in Canada as it is. They think it cannot be worse for them. If we are integrated into a bigger area, they think, well, we might profit from this integration more than by non-integration.

"I do not draw any political conclusions from this from everything that I have said, and I am certainly not advocating integration of Canada into the United States. That is not the question. But I have just tried to indicate some certain basic differences in judgement which you must make on a certain number of these trends going on today in the capitalist world economy."

Several days later Mandel addressed a large meeting at McMaster University in Hamilton following which he was again asked whether Canada was a colony of the United States. He answered in part:

"I do not think that Canada is a colony because I do not think that you can determine the structure, the social and economic structure of a country by formal criteria — the weight of foreign capital etc. The situation of Canada is a peculiar one. I think that the best way to describe it is with the formulation of the American Marxist Nicolaus with



Resources Minister MacDonald tells the US owners of Canadian oil resources "YOU'RE CUT OFF — BEAT IT."

→ to page 3



Eminent Belgian Marxist economist explains a point during his cross-Canada lecture tour.

whom I have many disagreements but who on this particular question has coined a very nice phrase.

"He has spoken of an 'imperialized imperialism' and I think this hits the nail on the head. Canada is an imperialist country. That seems obvious to me. Ask the people of the Caribbean, where there is a lot of Canadian capital invested. They will not have the slightest doubt about the imperialist character of Canada. And if you were to ask anyone in India, in Brazil or in Algeria whether he thinks that the economic structure of Canada is similar, or the living conditions are similar to the conditions he is living under, he also will not have the slightest doubt. He will answer, No. You do not have a social-economic structure in Canada which is the structure of a colonial or a semi-colonial country. But you have a peculiar situation of an imperialist country which has itself become the object of a huge influx of foreign capital"

While some sectors of the Canadian left still hold to the view that Canada is a colony, notably such Maoist currents as the Canadian Liberation Movement, who have taken on the stance of nationalists and even chauvinists, both the Warnock and Swift-Draimin contributions take the discussion forward and onto a higher plane.

Warnock makes available

material which for some is not exactly new but for the first time has been pulled together and presented publicly for the consideration of the entire left.

Noting government figures to the effect that "Canadian capital is in control of agriculture, banking and finance (not shown), construction, wholesale trade, retail trade and services", he challenges that only 31.2 per cent of assets of the food and beverage industry are foreign-owned, "is a gross distortion" on the basis of research that he is presently doing.

In our opinion serious research also challenges the figures that Canadian capital is in control of banking and finance, the Bank Act notwithstanding.

Warnock refers to research by Harold Bronson of the University of Saskatchewan which has shown that in the Caribbean "Canadian capital is clearly subordinate to British and American capital and it is British and American political influence which dominate the area." Swift-Draimin see Canada "through its extensive investments in both Latin America and the Caribbean, laundering American capital through Canadian-based multinational corporations" and "as a middle-sized intermediary state which acts to expand and protect US interests beyond our (Canada's) national boundaries."

Warnock too recognizes that "Canadian direct imperialism abroad exists, without a doubt." He dismisses the views of the League for Socialist Action. "There is little to be gained from arguing in a simple minded way," he says, "that the choice we face is one of finding Canada either a colony or an imperialist power (see for example League for Socialist Action 'Canada and the Crisis of World Imperialism' ISR July-August 1974)."

"... when one objectively looks at all the relevant facts," he says, "it is impossible to conclude that Canada is basically an imperialist power." "The fact is that our government can only act as a junior partner to American imperialism The degree to which the Canadian government and Canadian-based firms practice imperialism must be weighed against the fact of foreign ownership and domination of Canada. Any strategy for socialist change in Canada must objectively assess this situation . . . we simply cannot ignore the fact that every Canadian faces the contradictions of foreign domination every day in his or her life, in many ways. If this central characteristic of our society is not openly confronted by the left then the left will remain obscure and ineffective."

In an extended article in the October 1974 issue of *Forward* we had occasion to summarize that Canada is imperialist, but not so much from the investments of private Canadian capital abroad, which are quite small, but primarily "by the fact that with an advanced capitalist economy it is an integral part of the world-wide imperialist economic system The character of Canadian capitalism as an imperialist 'power', the locale and nature of its investments abroad, the fact that it is only a world power as a front or a very junior partner of the world's super-imperialist power, US capitalism, is due not only to Canada's relative weakness in relation to the US-colossus. It is determined above all by the facts of US capitalism's domination of Canadian capitalism within the borders of Canada itself."

* The following quotations are taken from the transcript of the tapes recorded at the Toronto and Hamilton meetings. The transcript has not been edited by Mandel.

** Following the convention that adopted this document, the League for Socialist Action, which until then had encompassed all Canadian Trotskyists, suffered a three-way split — some continuing as the LSA with Labor Challenge, and the formation of the Revolutionary Marxist Group publishing the *Old Mole*, and the Socialist League publishing *Forward*.



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Bankers, bosses & bureaucrats join

Mounting attack on Cdn nationalism

by P. Kent

The head of the Canadian nation-state, Prime Minister Trudeau, in his longstanding and persistent attacks on Canadian nationalism is now being joined by a chorus of assorted bankers, businessmen and bureaucrats.

Latest addition is W. Earle McLaughlin, chairman and president of the Royal Bank of Canada, the biggest of the chartered banks thought by some to be the one and really decisively firm bulwark of the Canadian national bourgeoisie in the face of the continuing US takeover of Canadian manufacturing and resources industries.

At a March 24 meeting of the Toronto Board of Trade, McLaughlin even warned against slogans that could be said to be nationalistic because "it is something else again actually to live up to those responsibilities, particularly the financial responsibilities which such slogans imply for this nation."

He deplored the "new spirit of independence." "But more than that", he said, "there is a new spirit of cultural nationalism abroad in our land . . . and often force-fed by various groups who may reap personal gain from greater cultural autonomy".

"Unfortunately for them," he said, "these new aspirations for greater independence are not easily

realized in the world of trade, commerce and investment. All countries of the world, and Canada and the US in particular, are on a path which, year by year, binds them ever more tightly together in their economic affairs."

Possibly with Ottawa's decision to buy into the latest US takeover, Syncrude, in mind, McLaughlin expressed a profound uneasiness. "When the magnitude or risk of the enterprise become too great, then governments will increasingly participate," he noted, "but I cannot help but wonder where we are heading."

"Canadians must give up their preoccupation with national identity and strengthen institutional ties with the US," said Dr. Maxwell Cohen, according to a CP report of an address he made to the Ottawa Men's Canadian Club early this month. Cohen is chairman of the Canadian-US International Joint Commission that deals with boundary waters and pollution. Washington has come under persistent attacks for its failure to live up to its Great Lakes anti-pollution commitments.

Canada's newly appointed ambassador to the US, Marcel Cadieux, in one of his first addresses in the US, to a seminar at the University of Louisville, Kentucky, felt called upon to stress that his government was not adopting an "anti-American" attitude. In

specific reference to the Foreign Investment Review Act, he said it was "not a nationalistic measure directed against Americans." In this he was echoed by John Ellis, chairman of the Canada Development Corporation who made a special trip to London to address the Canada-UK Chamber of Commerce. Ellis assured them that the Canadian government does not expect the CDC to stave off foreign takeovers, make uneconomic investments just to increase employment in depressed areas, or bolster failing firms, and its creation does not mean Canada is going socialistic, according to the *Globe and Mail's* London correspondent. The CDC, he stressed, is "an anti-socialistic fiscal movement." It is investing only where it gets a 15 percent profit after taxes, he said.

"Canada must lift itself above the narrow economic nationalism that at present seems to be the fashion in some sectors of Canadian society," said R.V. Frastacky, deputy chairman of the Metropolitan Trust Company to its annual meeting in Toronto this month.

Mr. Frastacky singled out for criticism the Federal Foreign Investment Review Act, not for what it actually does, he said, but the impression that it creates (presumably in the ranks of US imperialist investors) of what it may do.

The international economic

recession and in particular its impact on the Canadian economy so heavily locked into the the US, is clearly seen by Canadian ruling circles as even increasing Canadian dependency on the US, both trade-wise and investment-wise. Hence Ottawa may well be preparing the grounds to withdraw the Foreign Investment Review Act, including the ineffectual Section One dealing with new investment, not to speak of implementing the long suspended Section Two dealing with the extension of foreign investment already in Canada into new areas of the economy.

In place of these largely empty gestures to the widespread opposition to US imperialist domination of Canadian society, Ottawa has enacted even more symbolic gestures. On March 24 the Senate approved of a bill sponsored by a Tory MP that makes the beaver an official symbol of Canada. And there is a Liberal member's bill before the House of Commons which would santify the flag by making it an offense punishable by six months in prison or a \$500 fine or both, to insult, degrade, mutilate or desecrate the flag. The Canadian Federation of Civil Liberties and Human Rights Association has condemned this bill as constituting "a danger to freedom of speech."



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Poverty in Canada

Although Canada has just come through more than twenty years of unprecedented economic growth not the slightest dent has been made in the appalling poverty that continually destroys the lives of millions of Canadians.

This is the basic conclusion of recent studies of the National Council of Welfare and the Canadian Council of Social Development.

In 1967, 27.5 percent of Canadian households were living below the government's own definition of the poverty line. Six years later in 1973, 27.4 percent of Canadian households were still there. Even more significant was the finding that the percentage of the national income going to the poorest 20 percent of the population had actually dropped from 4.4 percent in 1951 — to 3.6 percent in 1971. During this period we also witnessed an unparalleled rise in corporation profits as well as increasing government give-aways to the corporations.

These profits have always been justified by the "trickle-down theory" that these fantastic profits would be invested by the wealthy, the economy would boom, and everyone would benefit to varying degrees in the process. Clearly this has not happened. And now the trend is all the other way — make the working people pay, through reduced services, for continued government subsidies to the "corporate welfare bums."

All of which only demonstrates that, however harsh and unequal this capitalist society has been up until now, only worse can be expected from its rulers in the future. With the deepening economic crisis of the Western capitalist countries and the resultant cuts in social services, the planning of production for human needs, not for profits is clearly not an academic question but a crushing necessity. In the deepening decay of an already barbaric system the choice is barbarism or socialism.

Aid is no solution

In a small footnote on the world food crisis, the daily press recently reported on the efforts of a well-intentioned, if somewhat naive group in Kingston, Ontario, headed by a Terry Leonard, to raise funds to get food to Bangladesh to stave off the advancing famine. They raised \$23,500 and succeeded after some difficulty in getting the 50 tons of food it purchased airlifted to South Asia.

This gallant effort is being mounted in the face of an expected deficit of 16 million tons of food in the underdeveloped countries this year and a projected deficit of 85 million tons by 1985. These trends are documented in the UNO's Assessment of the World Food Situation.

In another article we are told that "Poor tropical countries could both feed themselves and export food if they applied existing science . . ." David Hopper, head of the Canadian International Development Research Agency went on to say that "Far from being in a hopeless position . . . tropical countries have everything going for them — more sunshine, rain, good soil and the possibility of getting 3 crops per year." He points out that the average tropical rice farmer, working small acreages, with often the most primitive methods, can raise as much grain per acre as the highly capitalized Saskatchewan wheat farms.

Yet after receiving \$4 billion dollars of aid in four years, according to UN estimates, Bangladesh is no better off, with an estimated 54 percent of its children still malnourished.

So what the devil is going on! What's the answer to this mess?

"Only agrarian reform, which covers the mass of the peasantry currently exploited for the exclusive benefit of the great landholders, and regrouped through cooperatives and the like, the small and middle-sized proprietors into larger, more viable units, can put into effect investments on the local, regional and national levels."

Who is that speaking? Karl Marx? Trotsky? No! Although it could easily have been, for it has been a part of the Marxist understanding for many years. In this case, however, the quotation comes from the findings of the Transnational Institute, an international group of scholars based in Amsterdam, and affiliated with the Institute for Policy Studies in the US.

These parasitic landholders, usually working hand in hand with local and foreign capital, syphon off the national surplus wealth for luxuries, safer investment abroad, and local industrial development geared more to the profit needs of foreign imperialist capital than those of their own national economy.

Only with a publicly-owned, planned economy, free of interference and plundering by foreign capital can the existing national wealth be directed into balanced agricultural and industrial development.

Only with land reform and abolition of rents and usury will the peasants be able to feed themselves properly and begin to expand their production to meet the needs of the whole people. The answer to the needs of these imperialized depressed countries of the Third World can be summed up in two words — socialist revolution.

But this is exactly what the policies of the so-called "Free World", Canada included, are designed to prevent. These imperialist governments sustain the corrupt landlord-based regimes in the Third World, diplomatically, politically and with economic aid — with the latter being used partly to encourage dependence on the advanced capitalist world and partly to cover over the utter inability of these regimes to serve even the most elementary needs of their own people.

And when the masses seek to carry out land reform and are compelled to resort to armed struggle this "aid" takes on the form of military hardware to their rulers and often the landing of troops in their support. As for the policy of sending food as aid, either by governments or private institutions or individuals; this may salve the conscience of well-intentioned persons, but no matter how you slice it it only serves as a tool to prolong the existence of these rotten regimes.

As for Leonard's gifts — the experiences of others indicates that in all probability the food will end up on the black market within hours of arrival in Bangladesh, only to further line the pockets of the landholders and merchants, the mainstay of the whole system.

Correction — The last issue of **Forward** erroneously carried a report to the effect that Bob McCarthy spoke at a memorial meeting in honor of Hugh Dowson on behalf of the Revolutionary Marxist Group. It has been brought to our attention that McCarthy spoke as an individual and as a longtime friend of the Dowson family. — **The Editors.**

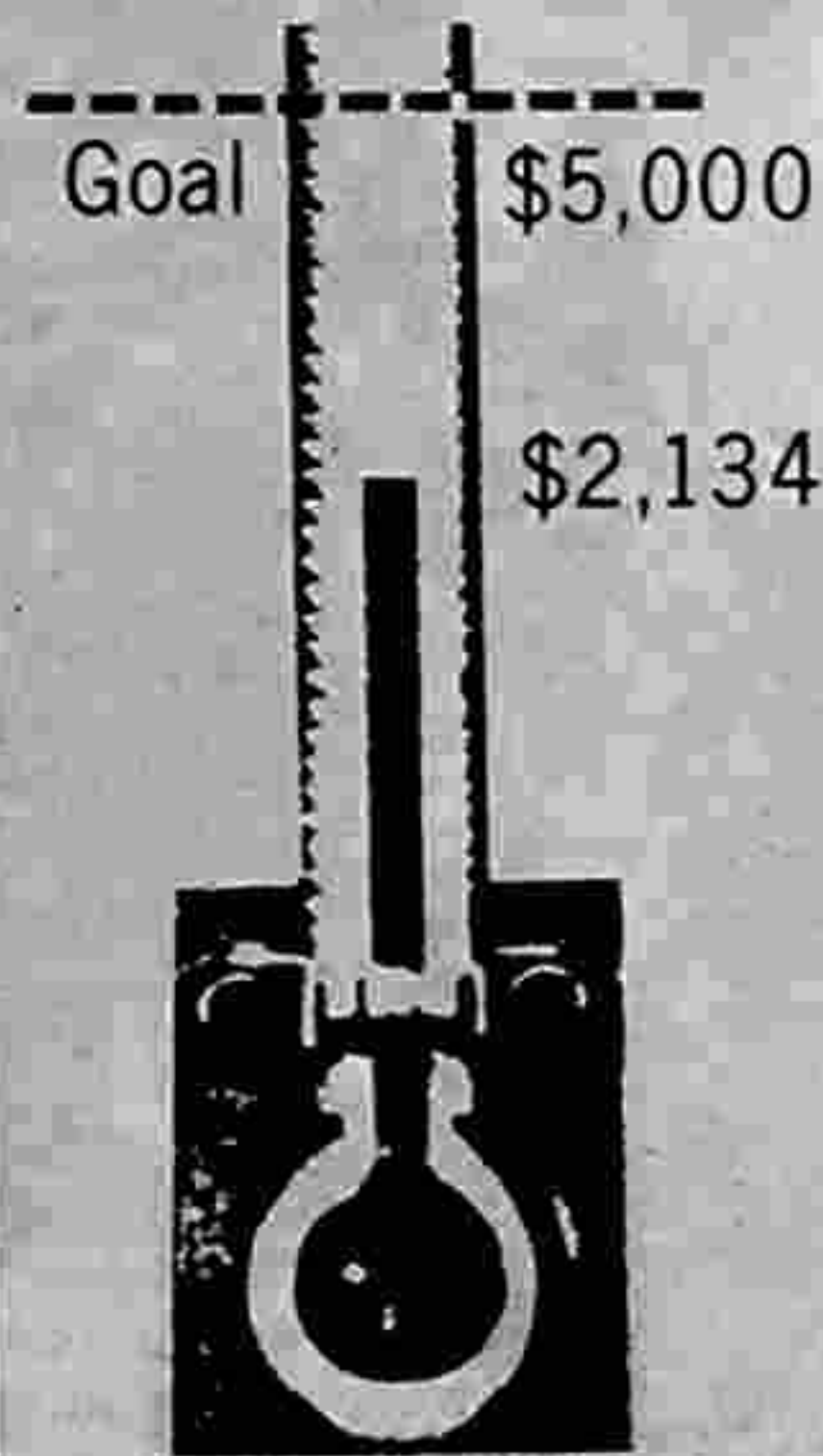
Fund drive on the way to top \$5,000

It has often been said that money makes the world go round — usually an expression of cynicism about the reality of life under this capitalist society. We're not cynics — we're confirmed optimists. But the fact is that money is the lubricant that makes the press go round that produces Forward.

Our scoreboard tells us that we are half-way into the fund drive period with four weeks to go. So far, \$2,134 or 47 per cent of our \$5,000 goal has been pledged — just short of the half-way mark for pledges.

We are counting on you, our readers to bring us up to our target so that the press will continue to roll out Forward.

Much of the money we have so far raised is from the same people who volunteer their time and energy to put out the paper each issue and see that it is circulated as widely as possible — in between their NDP activity, student struggles, feminist



campaigns, trade union activities, etc.

We are confident that Forward can play an invaluable role in introducing socialist ideas into all the areas of the radicalization because the press can speak better and more fully and consistently than any of us can as individuals. Therefore, all that we do to build Forward is necessary and essential to spreading the influence of socialist ideas.

But we need assistance from you, our readership. Only your donations and support will get us to our \$5,000 goal.

In the four weeks that remain, we need to get another \$2,866. We know that you can do it because you did it last time. Help us move Forward! Send us in your cheque or money order payable to Forward Drive.

It's the best and most significant investment you will ever make because it is an investment which expresses confidence that humanity has a future.



Ontario Minister of Colleges and Universities Auld justifies cutbacks to scattering of students in Debates Room at Hart House.

Student leaders speak out at Forward Forum

Several prominent leaders of the student movement in Ontario, including three university student council presidents, one of them the president of the National Union of Students, participated in the Forward Forum on March 27. The topic of the forum, "Where is the Student Movement Going?" was elaborated on by the speakers, Pierre Ouellette, president-elect of the Brock U. Student Administrative Council (BUSAC) and president of the national Union of Students; Charles Lee, Ombudsman at Brock U. and organizer of the recent Ontario Students' Action Conference Against the Cutbacks; Fred Lindal, recently elected as student representative to the Brock Senate; Dale Ritch, president-elect of the York University student council and member of the Socialist League; and Anhelyna Szuch, student member of the York U. Board of Governors and editor of Student, newspaper of the Ukrainian students association. Ellie Kirzner, McMaster campus activist and member of the Socialist League, chaired.

Ritch and Lee described the perspectives facing the student movement in this period of growing educational cutbacks and a deepening economic recession. The fact that the government's cutbacks policies are an attack on the material interests of the majority of students leads directly to the possibility of building a mass student movement with a scope and political impact far surpassing the movement of the late sixties. Since the cutbacks also directly attack the faculty and staff who work in educational institutions.

There is a distinct possibility of forming a united front alliance with the trade union movement to fight against social service cutbacks. This student-worker alliance will enable the

movement to transcend the isolation that crippled the previous wave of student revolt.

Pierre Ouellette pointed out that the development of the Ontario Federation of Students (OFS) and the National Union of Students (NUS) were positive steps for the movement as a whole.

Lindal and Szuch described the successful election campaigns that had been organized on the Brock and York campuses by the Brock Socialist Student's Coalition and the



Dale Ritch, president-elect York U Student Council.

York United Left Slate. Gord Barnes, the president-elect of the University of Toronto Students' Administrative Council (SAC) spoke from the floor about the impact of the cutbacks on the U. of Toronto and described the Common Front of students, faculty and staff which has been organized to combat the government.

The forum was attended by students from Brock, Niagara College, U. of Toronto, York, Ryerson, Humber College, Seneca College and McMaster University.

US tycoons take over the Canadian bankroll

by Ross Dowson

Canadian banks, long thought to be the citadel of the indigenous Canadian capitalist class and to be thoroughly immunized from the continuing assault on the Canadian economy by US monopoly capitalism, are now crying for action from Ottawa. "Unless action is taken soon, control of foreign activities in key sectors of our financial markets will be lost," says no less a person than G.R. Ritchie, president of the venerable Bank of Nova Scotia. "Foreign bank participation in Canadian capital markets is not only extensive but is accelerating at an explosive rate," he warned last summer.

The banks, along with the insurance, trust, mortgage, sales and franchise finance companies, play a central role in the capitalist economy.

The nine Canadian banks chartered under the Bank Act, and particularly the Big Five, in running consultation with the federal Bank of Canada, form a command post over the Canadian economy, and over all of Canadian society. They gather in the funds of the millions of small depositors to whom they dole out tiny interest payments and, playing on the market place with the great sums at their disposal, not only carry out technological miracles through arranging the construction of giant enterprises but at the same time impose monopolistic despotisms, higher prices, crises and unemployment.

Through this power the banks have played a key role in the colossal expansion of the Canadian economy that has taken place particularly since the late 1950's and which has resulted in the domination by US corporate interests of the most dynamic and strategic sectors of the Canadian economy. US imperialist ownership or control of manufacturing, mining, pulp and paper, etc., etc., is not only no longer in question, it has resulted in a broad opposition, a nationalist consciousness from coast to coast and an increasing acceptance of the idea that for the working people of this country to have any say, let alone determination of their lives, requires no less than the public ownership of the essential components of the economy.

Several years back Max Saltzman, the financial critic of the NDP parliamentary caucus, charged that "the



Humble carpet-banker office

banks have been one of the chief contributors to the foreign takeover of the Canadian economy." The reason Saltzman gave was disarming in its simplicity - "because they are more willing in many cases to give money to American-owned firms than they are Canadians." Saltzman proposed the nationalization of the banks because they are not serving the public interest.

"When we lend money to a subsidiary of a US or foreign-owned corporation," replies R.M. MacIntosh of the Bank of Nova Scotia, "I doubt whether it is appropriate for us to make a decision based on our judgement of what the public interest is." Neil McKinnon, chairman of the Imperial Bank of Commerce answers in the same vein - "We decide who is worthy of credit and who is not. That is the basis of our decision. We cannot make political judgements."

The banks are out to maximize profits, period. "The bankers function as an elite without elitist credentials or shibboleths," president and chairman of the Royal Bank, Earl McLaughlin, goes so far as to say, "unlike the investment dealers and underwriters." According to McLaughlin, the latter are hung up in efforts to "perpetuate the influence of established wealth and the right of private schools." But not so with Canada's bankers. The Royal last year headlined an advertisement in the *Wall Street Journal* with the words "We deliver Canada."

Conrad F. Harrington, chief executive officer of the Royal Trust (10% owned by the Bank of Montreal) saw no alternative for the banks but to play the

role that Saltzman charged them with. "Canada's place in the trading community is such," he said, "that we cannot resist the tide of change and build ourselves a nationalistic ghetto without losing that place and paying a heavy economic and social price."

Walter Gordon, big business advisor and exile from the federal cabinet thought "it is wrong that the money put up by individual Canadians in the form of their savings should be used by American firms to buy out Canadian enterprises." But he blamed Ottawa for giving "no clear-cut directive."

There is not the slightest shred of evidence that the Canadian banks have served in any way to preserve indigenous Canadian capital's control of the economy in the face of the US takeover. On the contrary, all evidence shows that they have played a major part, and in fact that they have expedited the whole process, actually using the resources at their disposal to do so. Their role has become so obvious that Finance Minister John Turner in an anti-inflation speech last fall felt able to dema-

→ to page 2

gogically appeal to the banks "to avoid helping to finance takeovers of Canadian companies by foreign interests."

The Bank Act, on the other hand, while it has not served by any means as the ultimate preservation of indigenous Canadian capitalist control of the economy, as some think it is designed to do, has become somewhat of an irritant. Not so much for the US imperialist interests who with the vast resources at their disposal have found more than ample ways to get around the Bank Act. It is the Canadian financial elite itself and the political representatives of the Canadian capitalist class who find the Bank Act most irritable and alien to their interests.

The Bank Act would appear to have defended the monopolistic position of the 10 Canadian chartered banks in 1964 when the Morgan interests (Citibank) purchased the charter of the dormant Dutch-owned Mercantile Bank. Finance Minister Gordon feared that the rival Rockefeller interests also might acquire Toronto Dominion and in his memoirs refers to intensive pressures "including those from the (US) State Department." But when the tumult died, First National City Bank of New York nonetheless ended up retaining the disputed charter. Furthermore, the Bank Act provision barring any foreign group or investor from holding more than 10% of the stock of a chartered bank was lifted to allow Citibank to retain 25% of the stock. This year, five years ahead of schedule, the third largest banking organization in the world will have fully established itself in the ranks of Canada's chartered banks.

Canada's High Commissioner to Britain, Paul Martin, in an apology for the Foreign Investment Review Act, boasted to London financiers this month that "Canada today is one of the least restrictive of industrialized countries with respect to foreign investment." In a speech to the Canadian Conference on Banking last fall, David Rockefeller of Chase Manhattan commended Canadian officials for "significant steps forward with the removal of the interest equalization tax and the elimination of guidelines regarding exporting capital from

Canada."

Back in 1971 J. Leonard Walker, president of the Bank of Montreal, urged that the US bankers, instead of being restricted, should be allowed to enter the Canadian banking system. He pointed out that the restrictions had in effect actually boomeranged against the Canadian banking monopolists. The Bank Act, he noted "puts Canadian banks at a disadvantage in our own market with respect to banking institutions from other countries (US) who can engage in such activities through association with other non-bank institutions." At that time the president of the Bank of Montreal was referring to "near banks" which by then had assets about one half as large as all the chartered banks. In the 1954-64 period the assets of these trust companies, mortgage and loan companies, credit unions and caisses populaires increased 26% per year, whereas the chartered banks' increased only 8%. In the 1964-68 period the annual increase for the near banks was 16%, for the chartered banks 14%.

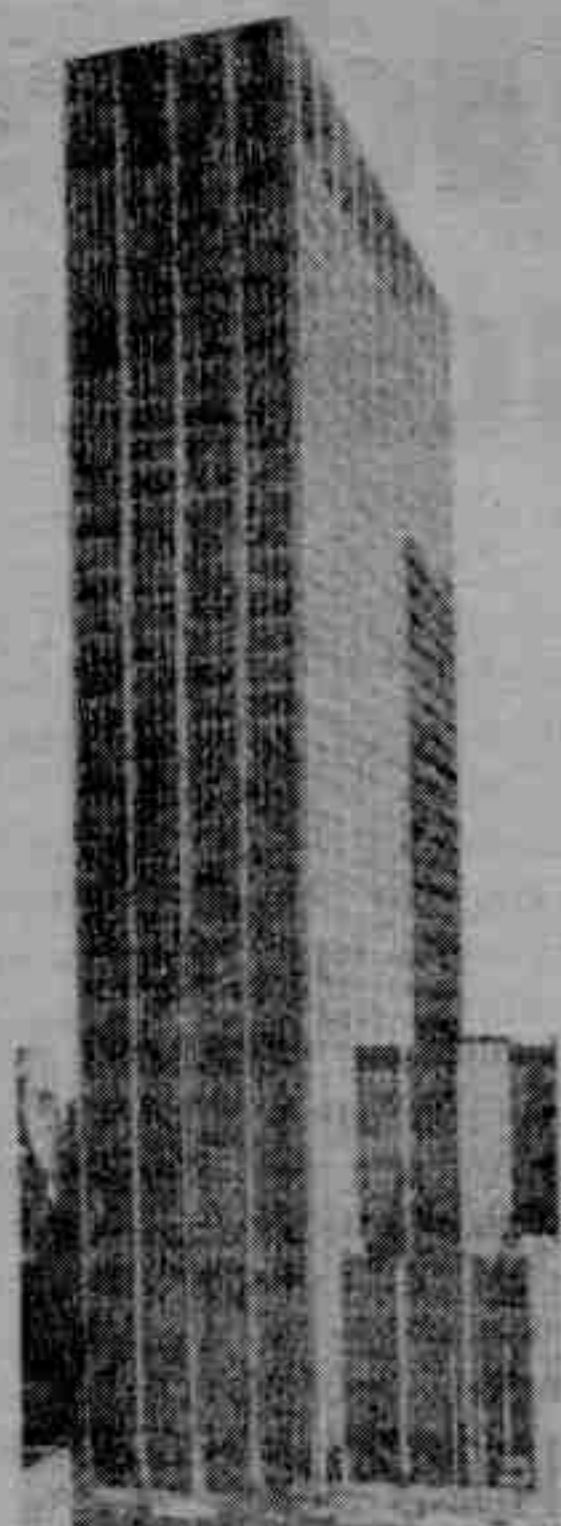
Since then US banking interests have moved out on a much larger scale and under their own logo through provincially incorporated companies. Bank of Canada Governor Gerald Bouey noted that by September of last year these "carpetbankers" had assets of 1 billion dollars. According to Richard Thompson, president of Toronto Dominion Bank in a speech on April 19 this year, they had doubled their financial base to two billion and had spread in little more than two years to 170 in number. They are estimated to be already doing 20% of the commercial financing in the country.

The carpet bankers have little or no actual resources in the country. They open up their brief cases in a hotel suite or an administrative office in downtown Montreal, Toronto or Vancouver and sell "commercial paper" on the Canadian market - in effect they accept long range deposits on which they can borrow money on the Canadian market, which they can in turn loan out on the Canadian market.

And they are no fly-by-night operators. They are branch banks of such giants as Chase Manhattan, the Bank of America and the Bank of Tokyo. First National City Bank is not waiting for its Canadian Citibank operation to become a full-fledged bank this year. It has set up Citicorp Financial Centres. J.W. Hannon Jr. of Bankers Trust of New York, arranges direct loans in bundles of 50 or a 100 million dollars from an office in Toronto Commerce Court. Hannon's bank estimates Canadian capital needs in the next ten years to be about 150 billion dollars. This estimate is based on the same recognition as has been made by Douglas Peters, vice-president and chief economist of Toronto Dominion, that "the US today depends to a far greater degree upon Canada for renewable and non-renewable resources than it did at any time in the past."

The Canadian banks very early in the game, when in the early sixties US capital commenced to flood into Canada on a scale qualitatively greater than before, attempted to more effectively get cut into the action of the US corporate

→ to page 3



The power behind the carpet-bankers.

One means, of course, was to serve as bankers for the increasing number of newly establishing branch plant companies, including arranging loans for the US corporate owners who use local funds where possible in order to preserve their own for the highest possible profitability. Another, was to strengthen their connections with the US owners by opening up places for them to actually sit on the Canadian boards of directors.

It has long been customary for Canadian industrial giants, both those wholly Canadian-owned and those Canadian-owned but with substantial US investment, particularly those heavily dependent on the US market, to seek US corporate representation on their boards. By such means they hoped to protect their market, obtain business know-how, ready access to capital, etc. In respect to bank directorships, this practice, particularly since World War II, has been even more marked.

Banks are private corporations and are owned by investors who find it profitable to own shares. Bank stocks like others, are subject to market conditions. Last year, Bank of Montreal and Canadian Imperial Bank of Commerce shares dropped to their lowest since 1971 - to \$15 and \$22 a share respectively. But buying shares is not the only way to make a profit out of Canada's banks. It can be even more profitable to direct the vast accumulation of liquid capital that the banks have at their disposal. It is the members of the boards of directors who determine this

flow.

Under the provisions of the Bank Act, to be a director one must own or represent 2,500 shares. However a board of directors can bring onto their board persons who possess or represent only 1,250 shares to the extent of one quarter of their number.

While enjoying their monopoly position, the nine chartered banks are in competition with one another, not on rates, the price of money - on this they stick together except when it comes to special deals - but in the struggle for the big accounts, and to retain old and establish new corporate connections. This is done to a marked degree through the directors of their boards.

The boards of directors review all loan requests for more than a million dollars on an individual basis. The banks do not disclose what proportion of their credit is extended to their own directors but the Royal Commission on Banking and Finance reported in 1962 that about 30% of all authorized credit lines of \$100,000 or more were to directors, their firms, or to corporations of which they were officers or directors.

Unlike directorships in other corporate bodies which are quite stable, reflecting the rigidly defined class structure of Canadian society, bank boards of directors, at one time if anything even more stable, have been undergoing considerable change, particularly over the past decade. This is above all due to the need of the indigenous Canadian capitalist class to retain and to develop vital connections with the most dynamic forces within capitalist circles, by all accounts US interests.

The Royal Bank has been notably successful. As of May last year, 35% of Royal's business involved US dollars.

Some 15% of all bank deposits in Canadian banks are in US funds, half of them held by persons listed as resident in Canada and the other half by non-residents. Almost 29% of the total 75 billion dollars in assets of the ten Canadian chartered banks are now in foreign currencies, reaching an all-time high of \$21.7 billion as of October 1974 - a five fold increase since 1968. A Royal executive observed with great satisfaction that "It took us 100 years to get to 10 billion in assets, and then only the next five years to get to 20 billion."

In 1972 we had an occasion to make a detailed study of the members of the board of directors of three of the Big Five Canadian chartered banks. A notable fact was the change in personnel of the boards between 1960 and 1971 - in the case of the Royal Bank - of its 43 directors in 1971 only 9 had been on the 1960 board. Perhaps the most significant change is, whereas the directors used to be in large part heads of Can-

adian investment houses and often heads of legal firms representing various corporate interests, today the active heads of the largest corporations in the country participate in person on the boards of directors.

A very high proportion of Canadian bank directors are chief officers of wholly US-owned Canadian subsidiaries of some of the most powerful US corporations - some of them also chief officers or on the board of directors of the parent company itself in the United States and/or its subsidiaries in other countries.

There is no question that this process has continued. The Bank of Montreal pioneered when in 1966 it brought to the position of vice-president a total stranger to banking, in the person of Frederick H. McNeil, from the wholly US-owned subsidiary Ford of Canada. This year, although he does not even yet qualify as a Canadian citizen as required by the Bank Act, the Bank of Montreal announced the appointment of William D. Mulholland as its president. From a partner in the big New York merchant banking firm, Morgan Stanley, and president of the British Newfoundland Corporation and Churchill Falls (Labrador) Corporation (Brinco) in 1970, he now heads up Canada's number three bank. He became eligible for Canadian citizenship on January 1st when he took office.

Certainly, today, in the board rooms of the Canadian chartered banks we do not find an assembly of Canadian business and financial tycoons banded together with the intention of furthering the particular interests of Canadian private capital as against US corporate power, insofar as it may be threatened by the US. Instead, what the board rooms reveal to a truly remarkable degree is the extent of the integration of Canadian financial and business interests with those of the United States of America. In such a relationship there is no question as to the relative positions. Canadian finance capital is in a junior partnership with US finance capital in the common exploitation of the work force and the vast resources of Canada.

Editor: Wayne Roberts

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Monopoly power

With the recent tango between Power and Argus Corporations and the announcement of a Royal Commission to investigate monopolies, public interest in the monopoly control of the Canadian economy has grown. To the lament of bank presidents, oil company executives, management consultants and others of their ilk, this concentrated power has increasingly been coming under critical scrutiny.

John Porter's massive investigation into the structures of wealth and power, *The Vertical Mosaic*, the 1972 and 1974 federal election campaigns where the NDP scorched the "corporate welfare bums," and public reaction to the blackmail of the huge oil monopolies in the Syncrude rip-off and price gouging, the continuing takeover of the commanding heights of the economy by US consortiums - all these have heightened popular unease about the monopoly control of the economy.

More recently we are informed by Wallace Clement's *The New Corporate Elite* that "113 dominant corporations, their subsidiaries, affiliates, investments, interlocking directorships with smaller corporations ... preside over the corporate world."

These developments come as no surprise to Marxists. Back in the 1870's, in the heyday of competitive capitalism, Marx predicted the increasing concentration of economic power. In 1915 Lenin analysed in detail the triumph of monopoly capitalism, as an inbuilt feature of the capitalist economy.

Laws, under the direction of successive Liberal and Tory governments, have proved powerless to halt this tendency to monopoly. Only six years ago, the government's own Economic Council of Canada reported that Canadian law aimed at preventing monopolies through mergers and takeovers (chiefly the Combines Act) "... has been all but inoperative. The only two cases brought to court ... were lost by the Crown and were not appealed." Now Trudeau admits that he has nothing in his bag of tricks and that he conducted a "fruitless search" for tools to control the growth of monopoly corporate power.

That he found no tools is not surprising since capitalist governments like his have been intimately related to the process of monopolization, buttressing it with blind eyes, laws and even financial giveaways.

It's a safe bet that the Royal Commission won't analyse the real laws that govern the growth of monopoly or pose the real solution. For the real question posed by the monopolies is actually the need for socialism. This is no "people's capitalism" we live in, but an ominously centralized capitalism where the basic decisions over our lives are completely removed from the mass of people.

Nor is the trend reversible under capitalism. The huge combinations of industrial and financial power have introduced elements of rationalization in the mass production and distribution of goods.

Under capitalism however this large-scale corporate planning and rationalization serves only the interests of the ruling class. The blind forces of the market system where profit rather than need determine economic choice have kept us in the dark ages as far as scientific control of the world economy goes. Neither Keynes nor anyone else has been able to alter this.

Control of the economy by a small number of corporate giants has not led to planning but to anarchism and despotism. Despite the stated wishes of even capitalists, we are sliding into a depression. Despite the so-called over-production of food, famine stalks the world. Despite the modern corporations, obsolescence is built into every production; technological innovations can only be assimilated when they meet the needs of profits. Large monopolies can never serve the public interest because they can only be loyal to the profits of a few rather than the needs of the overwhelming majority.

The solution is to end this impasse by socializing ownership. The workers themselves who have created all the wealth behind the corporations must control the product of their labor. They can then determine production according to economic need. There already exists the corporate and technological organization necessary for rapid construction of housing and there exists a burning need, but under this system there's no "market." Under socialism we would build these houses.

That is the real choice facing us in the current discussion on monopoly. We are not going back to a society of small producers. The present system has shown everywhere its inability to plan, despite their tremendous power over the factors of production. Only a workers' state and a workers' society can take society forward.

Everything to lose!

The Canadian government has just recommitted Canada to another five-year membership in NORAD, the military alliance which started life as a cold-war pact between the US and Canada ostensibly in defence from a military attack from the Soviet Union. Yet even military experts agree that NORAD simply ensures that in the event of a nuclear war between the US and the Soviet Union, the battlefield will be Canada's airspace. Despite the existence of the US-Soviet detente, the threat of a "communist attack from Russia" and the concept of deterrent warfare are still the Big Lies behind continued membership in NORAD.

In an editorial following the renewal of Canada's participation in NORAD, the *Globe and Mail* argued that Canadians should support NORAD because the US is really shouldering the burden of Canada's defence. But it is not defence against the Soviet Union that concerns Canadian capitalist politicians, at this time, so much as the new more pressing threat to imperialism posed by the liberatory struggles of the now more colonized peoples of the Third World. Canada's membership in NORAD makes her a part of US imperialism's attempt to strangle these liberation struggles to maintain the superexploitation of the colonial peoples.

Defence Minister Richardson revealed to an astonished press on March 18 that the effect of the renewal of the pact would be "to make an enemy of the United States an enemy of Canada." An embarrassed Trudeau denied this assertion represented government policy during a heated question period in the House the following week. He explained that Richardson was just trying to emphasize the close friendship between the US and Canada.

But the facts contradict Trudeau. Only recently Canadian staff officers responded to a US military alert without consultation with the Canadian government because, they said, they were "Noradian first, and Canadians second."

Through successive Liberal and Tory governments, Canada has locked itself into an imperialistic military and political alliance which incriminates it in the exploits of the chief imperialist power in the world. Having facilitated the selling of Canada's important economic resources to the US, our rulers now re-affirm Canada's marriage to US imperialist designs for another five years.

The Hamilton Labor Council has set a good precedent for the rest of the labor movement and the NDP in opposing the renewal of the NORAD agreement. Workers have nothing to gain and everything to lose from this criminal embrace with imperialism.

2* Forward, June 1975

Left, labor bookstore launched

Whatever the problems of the Canadian publishing industry they have nothing to do with the interest in books on Canadian themes. On the contrary, there's a virtual renaissance underway, both in terms of writers and the thirst of readers for books that deal with the problems we face. Now there's a place to satisfy that thirst, or at least to mutter to yourself that you wish you had more time for reading. It's the new Forward Books store, at 53 Gerrard Street West, near Bay St., in Toronto.

Forward Books is a general bookstore, specialising in labor, socialist and women's literature. You'll find Wally Clement's controversial new book on the Canadian corporate elite there. It's part of a shelf on Canadian social, economic and political questions with all the major books on Canada - US relations. Move down a shelf and you'll see a row filled with the books and pamphlets on the trade union movement. Roam around the window display and take a look at some art books, songs of working class protest and avant guard books from today and yesterday. Pass the counter and you can look through anything from Ralph Nader's latest expose to a large display of poetry. There's an even broader display of current best-sellers and fiction, which can keep you right up to date with the literary world.

Of course, it carries all the basic socialist classics from the *Ragged Trousered Philanthropist*, which is said to have converted a generation to socialism, to Karl Marx to Leon Trotsky. As well, there's a broad selection of the journals and magazines of the left.

With the broadening interest in radical ideas created by labor's struggles against cutbacks and inflation, by women's attempts to understand and overcome their oppression and the general festering destruction caused by capitalism, the need for a broad left bookstore is readily apparent. Forward Books will try to meet that need.

Fund drive falls short

Two months ago in a bold initiative, before we are yet even a year old, *Forward* entered into its second fund drive. Last fall, after a couple of issues that you might say were put out on nerve and consciousness of necessity, we called for help from our readers to aid us in the initial purchases that could get the paper out. Less than six months later, we again called for aid to put a financial base under *Forward* that would allow us to publish for a full year.

Where we had set our sights in the first fund drive at \$4000, we set our sights this time at \$5000: the amount necessary to publish an eight page monthly for a year. Where we met our goal in the first fund drive, we must frankly admit to our supporters that we have failed in our second. There's no stalemate however, *Forward* is going to keep coming out. We are just going to have to make some special adjustments.

We don't think it's a problem with the paper. It's well received wherever we go. The number of people sending in subs suggests we've hit a popular chord. Perhaps new people coming to the left aren't aware of what's involved in putting out such a paper on a regular and professional basis and getting it out on the broadest basis possible. Perhaps we just overshot the mark.

To *Forward* readers and supporters who have not yet had the opportunity to donate, we make this last appeal. In the meantime, we do have \$4000, 80 percent of our goal. And we still have 100 percent of our energy and determination.

The first part of political knowledge is knowing where we are at. It does the left no harm to recognize that with the divisions and fracturing of the socialist left over the past few years, we have suffered considerable losses of potential support. The second part of knowledge is knowing how to move Forward. We intend to do just that.

Branch plant, gov't policy make Canada a technological colony

By Paul Kane

That section of the economy which Canadian scientists and technicians directly depend on for jobs and which is decisive to the dynamism of the economy as a whole, affecting all levels of the working population, has been declining since 1966.

"We are becoming increasingly dependent on what other nations do in the field of technology," said James Mullin, deputy executive director of the Science Council of Canada, in a special interview with Bay Street's *Financial Post* (July 5) "By relying so heavily on US technology we are restricting our own options for technological development."

As a case in point, Mullin noted that "all coal-industry technology is imported" and "if Canada in future decided it wanted to produce gas from coal it would have to spend huge sums of money trying to establish some technical capability in the area."

No more than 1.2% of the gross national product has been spent on research and development whereas Germany spends nearly 3% and the US, along with Britain, spends about 2%. Research and Development spending in Canada as a percentage of the gross national product peaked in 1966 and underwent a major shrinkage in 1970 when, the Science Council executive explained, Abitibi Paper Company, Dupont of Canada Limited, Consolidated Bathurst and Chemcell either slowed or stopped research and development in Canada.

The bulk of the expenditures for research and development in Can-



Roger Gaudry, retiring chairman of the Science Council of Canada made sweeping charges against Ottawa and urged government control over the economy and technology.

ada, contrary to all pretenses of both US and Canadian Big Business interests are not due to their entrepreneurship but have come out of the public treasury — amounting in 1973 to some 6.8% of the total Canadian budget.

According to *Financial Post*: "No industrial nation surveyed showed such a continuing and increasing dependence on imported US technology" as did Canada. This is due primarily to the branch plant character of those industries that normally are required to do research — their research being done primarily in the United States. Thus fewer and fewer scientists and technicians are trained or can get jobs in Canada. On top of that, the US-based operation exacts considerable tribute from the Canadian population. Companies in Canada paid to US parent firms in 1970

more than \$100 million for imported technology (royalties, license and rental fees). According to the US National Science Foundation and Conference Board, by 1973 it had risen to \$187 million. And that is only part of the picture. The US head offices often don't require direct money transfers but exact higher profit returns from the branch plant operations. This is partly contained in Canada's trade deficit which in 1974 piled up more than \$7,000 million in high technology products.

Ottawa's allocation for science expenditures in the current fiscal year was down from 6.8% in 1973 to 6.2% of the budget.

Now the Liberal government's new budget, besides gouging higher taxes for gasoline and jeopardizing medicare, has further cut back government grants and contributions by \$250 million. Thus the policy of Canadian Big Business through its Liberal government and control of the state is conducting an active policy of increasing dependence on US technology and the further crippling of Canadian science and technology.

Drive for autonomy

The CLC has convinced the internationally affiliated construction unions to hand over their affiliate fees. It is not known what compromises, if any, the CLC made to get back the \$350,000 dollars that these international unions were holding back to blackmail the CLC into ending its campaign to have Canadian officials elected by Canadians only.

An examination of the labor movement reveals that these international unions have had little success in their campaign to retain control over the Canadian unions. In recent weeks the Canadian section of the International Brewers' Union has changed its name and has become a completely Canadian union. Also the Canadian section of the Union of Radio and TV workers asserted their right to have Canadian officials elected by Canadian votes. This support for Canadian autonomy will likely grow as the Canadian membership react more strongly to the bureaucratic maneuvers of the brass of the international unions who are locked into big business and big business politics.

Obsessed?

According to the Feb. 3, 1975 *Edmonton Journal*, a Prof. Robert Aliber, a University of Chicago economist and consultant to the CIA has new insight into Canadians' concern with American domination. According to the good professor, we're obsessed with sexual fantasy of domination and control.

While the CIA is notorious for seeing communists under every bed, this new twist of CIA understanding could lead to some interesting innovations in CIA intervention. If your boss tells you to see a psychiatrist when you demand public ownership, check him out.

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Deathtrap set for us

With outrage and horror we observe that the machinations of the Pentagon are about to turn the Vancouver area into "the most important target in North America" in the event of a thermonuclear holocaust.

The deadly US Trident submarines - every one of which is capable of launching enough nuclear warheads to obliterate the Soviet Union - will be based in Bangor, Washington, just 100 miles south of Vancouver. Within ten years, ten of these engines of genocide - designed to give the US an offensive first-strike capability, and therefore the first targets - the USSR would have to strike - will be passing through the straits of Juan de Fuca on the Canadian border. Pentagon strategists deliberately and callously set the base there so as to be as far away from their own offices in Washington. Far better that millions of innocent people in Seattle and British Columbia be slaughtered!

It is one of the bitter ironies of our time that those Americans who oppose the building of the base must resort to environmental arguments in court; it cannot be contested on the basis of its murderous potential or the missiles it would attract. It is downright pathetic that many local residents actually welcome the base; it will provide jobs and taxes. Under a system in which war is good business, stranger things have happened.

The depravity of American imperialism, which has demonstrated more than once its readiness to incinerate the human race rather than give up one fragment of its empire, can no longer surprise a world jaded by memories of Auschwitz, Hiroshima, and Vietnam. But when the lives of millions of Canadians are involved, most Canadians would not think it too much to expect "their" government to protest this deadly project as loudly as possible.

But no such protest is appropriate, according to a particularly ludicrous statement by external affairs minister McEachen, unless the base represents a "peacetime" threat to this country. Strenuous efforts by two New Democratic members - Stewart Leggatt and Peter Ralston - have failed even to spark a debate by elected representatives on the dangers to Canada.

In view of Canada's continuing wholesale integration into the North American military-industrial complex - from the Ballistic Missile Early Warning System and joint war games with US forces on Canadian soil to "defensive" alliances with NATO and NORAD - it would indeed be naive to expect the servants of Yankee capital to hinder the dirty work of the Pentagon. If American and Canadian lives mean nothing to the US government, why should Canadian lives be of concern to its satraps in Ottawa?

Behind the facade of cosmic detente lurks the grim reality of a world frighteningly close to total barbarism. It is the urgent responsibility of the Canadian people to kick the US war machine out of Canada and break completely with the aggressive imperialism which threatens the very survival of mankind.

Choking on greed

Remember the good old days when the capitalist system was supposed to be the most efficient, productive, energetic economic system in existence?

Well, the times have certainly changed. Pierre Rinfret, former adviser to Richard Nixon, has predicted an end to capitalism in the United States within 15 years. "The United States is now one of the most unproductive of the developed countries," he told the annual meeting of Canadian Manufacturers Association. "The story of unlimited production is a myth. By 1976, there will be even greater consumer inflation, probably 12 to 15 per cent."

"There is no wave of the future except socialism. Only in the socialist and communist countries is there courage, strength and youth."

It is not likely that Rinfret, who is a director of several large corporations and the president of a major New York investment firm, has suddenly become a Marxist convert. More likely, Rinfret's condemnation of capitalism has been stimulated by recent events such as the impending bankruptcy of New York City or the ominous growth of the unemployment rolls in his country.

It is an event of some significance when the advisers of the capitalist class cease to believe their own lies. In this respect, Rinfret is not alone. The intellectual guru of the *New York Times*, James Reston bemoans publicly that "wherever you look, the leaders of the free world seem to be overwhelmed by the complexities of modern life, baffled by the demands of special-interest groups and inclined toward autocratic methods in handling their dilemmas."

Twenty-five years of post-war prosperity is being replaced by uncontrollable inflation, massive unemployment and social rebellion. India, for so long touted as the world's largest democracy, is now the world's largest capitalist autocracy. England reels and rocks under massive debt despite Wilson's attempt to bail the beleaguered British ruling class out of its current bout of difficulties by shifting the blame onto the backs of the unions.

Capitalism is reaching an impasse of its own creation; it is choking on its own greed.

The objective conditions for socialism are ripe and over-ripe. Despite the enormous concentration of economic and political power in the hands of a few, they are totally unable to plan for society's needs. Chained to the profit system, the enormous productive plant and capacities built by generations of workers in Canada and throughout the world are unable to serve the public good.

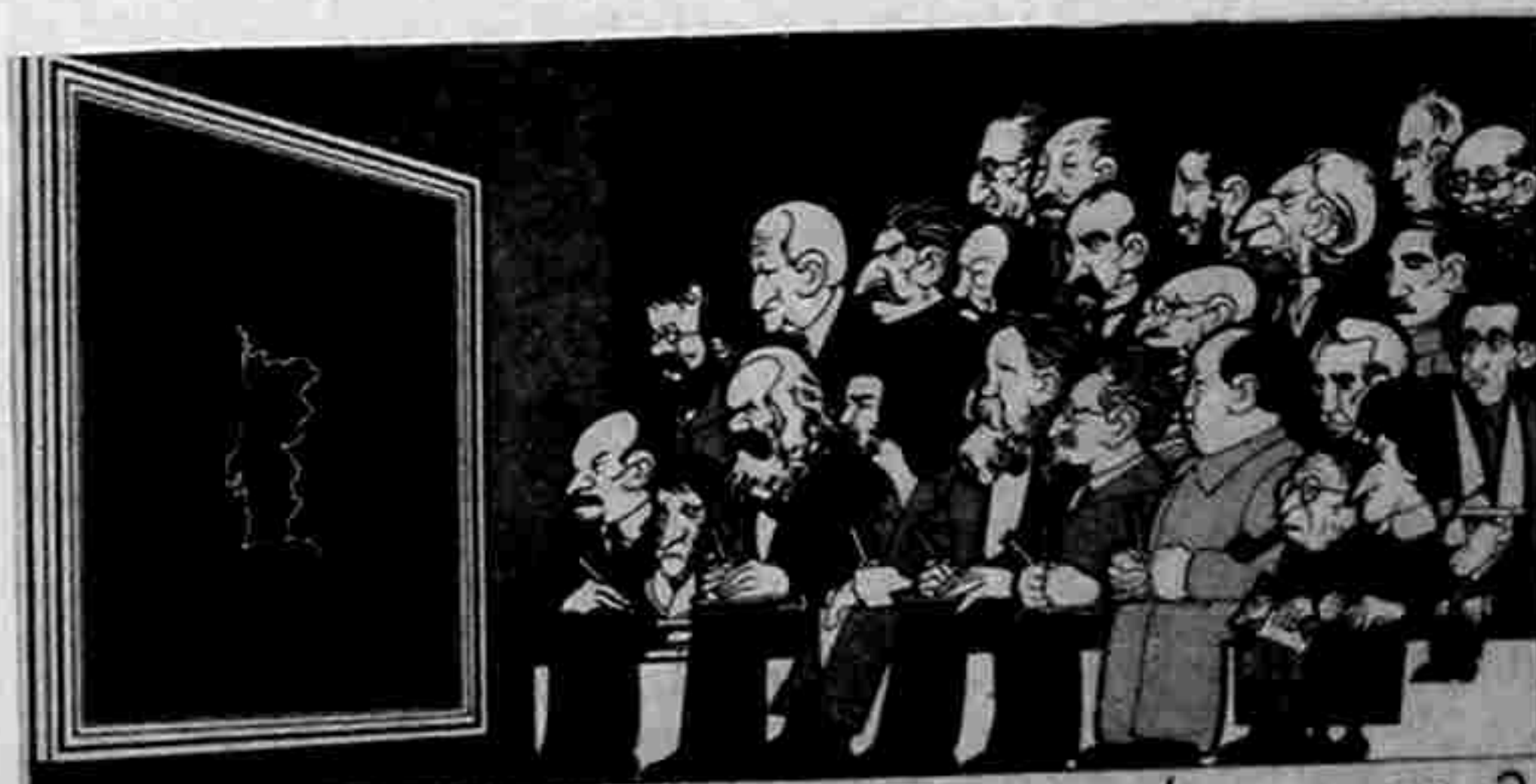
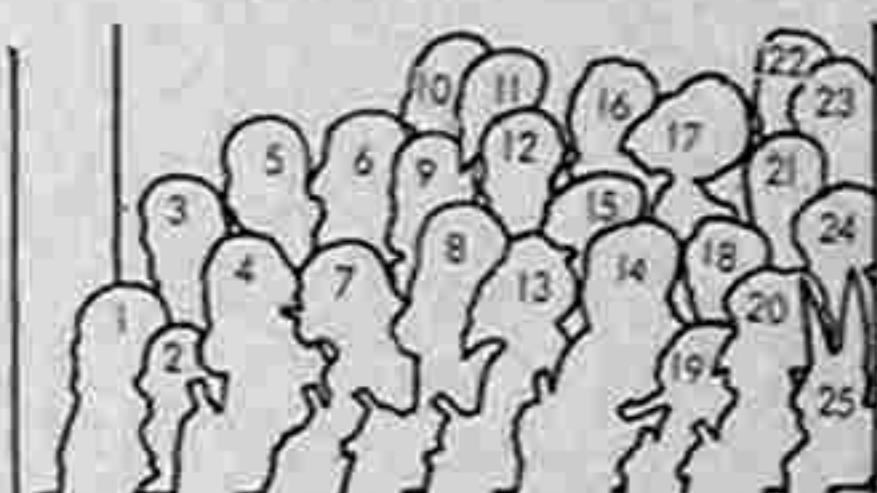
Especially when leading capitalists admit that the system can't work, is it not time for the workers to replace it with a society run by the producers - socialism?

Who's who on page 1 cartoon (from Os Jornal)

- 1 Vladimir Iljitsch Lenin
- 2 Georg Wilhelm Friedrich Hegel
- 3 Pierre-Joseph Proudhon
- 4 Karl Marx
- 5 Herbert Marcuse
- 6 Josef Stalin
- 7 Ernesto - Che - Guevara
- 8 Friedrich Engels
- 9 Michail Bakunin
- 10 Georg Lukács
- 11 Ho Chi-minh
- 12 Georgij Plechanow
- 13 Leo Trotzki
- 14 Mao Tse-Tung
- 15 Mahatma Gandhi

- 16 Fidel Castro
- 17 Bertrand Russell
- 18 August Bebel
- 19 Jean-Paul Sartre
- 20 Rosa Luxemburg

- 21 Sun Yat-sen
- 22 Arnold Toynbee
- 23 Piotr Kropotkin
- 24 Antonio Gramsci
- 25 Henry Kissinger



Portugal: the world watches

(see page 3)

Browsing thru Forward Books



By Paul Kane

As the pace of political events slows down somewhat in summer, there's a little extra time for reading. Browsing through the Forward Books bookstore is one way to find something to meet your needs. Here's a few that might interest you.

Ivan Avakumovic, a professor at the University of British Columbia, is co-author with the eminent anarcho-liberal literary critic George Woodcock of *The Doukhobors*, a valuable study of this Christian-communist people who settled in the Canadian west.

His latest book, *The Communist Party of Canada - a history*, will have to be reviewed in depth in a future issue of *Forward*. It is the major effort to date to write a serious history of the 55 years of the Communist Party of Canada. Founded in 1921, it was the first attempt to build a revolutionary socialist party of the Canadian working people along Leninist lines, until it degenerated into an appendage and apologist for the bureaucracy that grew up on the isolated Soviet workers' state.

William Rodney *Soldiers of the International* - a history of the CP of C, 1919-1929, took the history up to the expulsion of the party's founding secretary, Jack Macdonald, who joined with Maurice Spector, the party's expelled theoretician, to begin anew, in alliance with Leon Trotsky and his international co-thinkers.

By page 54, Avakumovic picks up from where Rodney left off, and in the remaining 230 pages takes the history into the seventies. Avakumovic interviewed and corresponded with a considerable number of former leaders of the party who couldn't follow its feverish twists and turns from third period ultra-leftism to popular frontism, support of the capitalist Liberal party, and endorsement of the Kremlin's crushing of the Hungarian and Czech

struggles for socialist democracy. *The Communist Party in Canada - a history*, by Ivan Avakumovic, McClelland & Stewart, \$5.95 paper

Partisan Review is a US literary quarterly selling at \$2 a copy. The current issue contains several items of interest.

Norman Mailer provides a surprisingly interesting preface he has written for a forthcoming book by Jean Malaquais entitled *The Joker*. Malaquais' *Planet Without a Visa* was a literary sensation in the thirties, as was his diary which reported the adaptation of the French bourgeoisie to German fascism.

Vadim Belotserkovsky makes a major contribution in his three part study of Soviet Dissenters.

The author is a Russian exile now living in Europe. His first novel was published in the USSR in 1964 and provoked an investigation of its author by the government. In 1968 his second novel was banned and he was fired from the staff of *Literaturnaya Gazeta*. He took an active part in the democratic movement, participating in several demonstrations before leaving Russia in 1972 with the wave of Jewish emigrants.

The current issue of *Monthly Review*, (85 cents) an independent socialist magazine published in New York, concentrates on unemployment. We can comment only on the essay *Work and Unemployment* by Harry Braverman, author of *Labor and Monopoly Capital*. Braverman first takes on that "article of faith with many of the modern sociologists of-work ... the notion that all work, by its nature is and has been from time immemorial degraded and degrading". He points out that work is a species characteristic "as natural to human life as grazing or hunting are to other species ... but ... Between biology and sociology,

civilization, with all of its social relations and institutions, intervenes. In capitalist society, work is organized in institutions which have long since separated us from simple production for our own use, and indeed have as a basis for their activities something very different from any kind of production for use ..."

We skip on to his comments on alienated labor: "The vagueness of this phrase (alienated labor) has increased with its popularity, and indeed we may suspect that its present vogue in official sociology and popular journalism is dependent upon its vagueness. In their usage its connection with the specific conditions of capitalist social relations and capitalist production has all but disappeared. But the term may still be useful if its significant content is restored and clearly understood. It must be understood first of all in accordance with the prime definition of the verb to alienate, that is, to transfer ownership to another. The "ownership of the tools and instruments of production is in capitalist society, alienated, that is, transferred to others. In the end, everything about the productive process has become alien to the worker... The wage becomes the sole equity of the worker in the job".

Braverman also writes on the pool of unused labor power, capitalism's industrial reserve army: "The unemployment rates are not the same as the concept of an industrial reserve army, the latter being much larger. This is because the numbering of unemployment is a relatively restrictive count ... Capitalism does not recognize that every able-bodied adult has either the responsibility or the opportunity to work and contribute to society, the theory is that one cannot distinguish the unemployed from the leisure class except by asking the individual whether he or

she had been "actively seeking employment" during the previous four weeks. Those who cannot show that they have been doing so are no longer counted as part of the labor force and hence cannot be 'unemployed' ... Thus there is clearly a large mass of non-working people who constitute a reserve army of labor, only a portion of which is counted. The size of this pauperized mass is now between fourteen and fifteen million persons, an enormous size reached back in 1970 which now bids fair to go much higher ..."

Wallace Clement's new book *The Canadian Corporate Elite* is, as its subtitle reads, an analysis of economic power.

It is an argumentative and well-documented work although its 479 pages are unfortunately in small type.

This book is must reading. We reserve comment until a review in depth in a coming issue of *Forward*. In the meantime we reproduce Clement's summary paragraph:

"Top decision making positions in the economy and mass media in Canada are dominated by a small upper class. Through dominant corporations they maintain a hierarchically ordered corporate system by which they are able to extract surplus allowing them to continue and expand their control. This same surplus provides them with a life style much different than that experienced by the vast majority of Canadians and the privileges that accrue to them are passed on to their children. Despite severe erosion of the Canadian economy by US based corporate capitalists since the 1950's, the Canadian upper class remains intact. In fact, it has further consolidated its traditional commercial forte while compradorization has been a phenomenon primarily affecting the middle class. With all the changes which have been experienced over the last two decades, Canada has not fulfilled its promise as a society with equal opportunity. As long as corporate power is allowed to remain in its present concentrated state, there is no hope for equality of opportunity or equality of condition in Canada". *The Canadian Corporate Elite* by Wallace Clement - McClelland and Stewart, Toronto, \$4.95 paperback.

In reply to Barry Lord's views

Towards the study of Cdn

By Ross Dowson

The obvious domination of Canada by US imperialism, culturally as well as economically and politically, and the response of widening layers of the working people of Canada, paradoxically, both in a heightening sense of national consciousness and in an increasing class consciousness, assures Barry Lord's book *The History of Painting in Canada—Towards a Peoples' Art* a wide interest and sympathy.

Today as never before, a book that is furthermore declared in its title to be not "a", but "The History" of Canadian painting, is almost certain to find a broad audience. Lord has a considerable experience in the course of which he could not help but have become thoroughly acquainted with all the major opinions on art and to have learned how to present his own views. For some years he was editor of *Arts Canada*. He has served as curator of both the Vancouver Art Gallery and the New Brunswick Museum, has been education director of the National Gallery, and has taught art history at several universities and colleges.

On top of that, Lord claims to be an exponent of Marxism, a body of thought that contains the most penetrating and comprehensive view of society and has in its basic outlines become the guide of millions across the globe and a widening number of workers and intellectuals in Canada.

It is on these grounds — acceptance at face value of Lord's claims that his work is Marxist — that the well-known artist Harold Town centres his criticism of the book in the *Globe and Mail*. Town seizes upon some of the errors and crudities committed by Lord in the name of Marxism, to heap scorn and ridicule on it and to cap off his article with what cannot but leave a bitter taste in the mouths of hundreds of Canada's striving artists — high praise for "the greatness of our free and open society" — Canadian capitalism.

The most penetrating reviewers, nationalist painters like John Boyle writing in *This Magazine*, and Greg Curnoe (whose works Lord acclaims) in *Books in Canada*, along with critic Ken Carpenter in *Waves*, point up many of the problems that



Barry Lord - by John Boyle

the book poses. Unable to contain his exasperation, Boyle states that "I refuse to believe, even though he says it himself, that Barry Lord actually admires those paintings" (of Frederick B. Taylor). Curnoe remonstrates Lord for his comments on the emergence of Dada and Surrealism and their influence in Canada, particularly on Quebec's Paul-Emile Borduas.

"Andre Breton by implication, and Leon Trotsky are accused of opposing national liberation movements. (Trotsky seems to be the bete noire of the latter part of this book.) Breton and the Dadaists and surrealists in opposing 'nationalism in art', Curnoe explains, 'were opposing the tendency of various states and national academies of culture to decree what is the national art of their countries and to induce artists

to work to their prescription, more or less as the illustrators of a national idea. Breton (and Trotsky, I might add) was a supporter of 'self' determination for both individuals and cultures, realizing that we can only identify revolutionary indigenous art after it is made.

"Far from being opposed to national liberation movements, as Lord states, Trotsky supported them in many cases, and furthermore in his *Literature and Revolution* of 1924 he shows a real understanding of the Russian vanguard artists who supported the revolution; and that is why his name is included in my painting for 'Ben Bella'."

Much of the uneasiness and the criticisms that Lord's book has roused flow precisely from the fact

that, notwithstanding its claim to be Marxist, it is in reality a parody of Marxist criticism, and is even anti-Marxist. While displaying considerable erudition, this book is not the work of scholarship and insight that we might have expected. It is not a correct utilization of the scientific method of historical materialism to aid us in a comprehension of the panorama of Canadian art and the forces that have shaped it, that would help us understand the role of art in a class-torn society and in the class struggle itself.

This is a book of considerable tension — as revealed in its title. At one time "the" history of painting in Canada, with judgements of specific artists and paintings, often presented in the most dogmatic and hectoring way. And at the same time — "Towards a Peoples' Art," it is the program of a political tendency projecting its demands on artists and on those who administer the state of an advanced capitalist economy in 1975, which it imposes retroactively in its judgements of artists who lived and worked under a semi-feudal and a primitive capitalist economy as far back as 300 years ago.

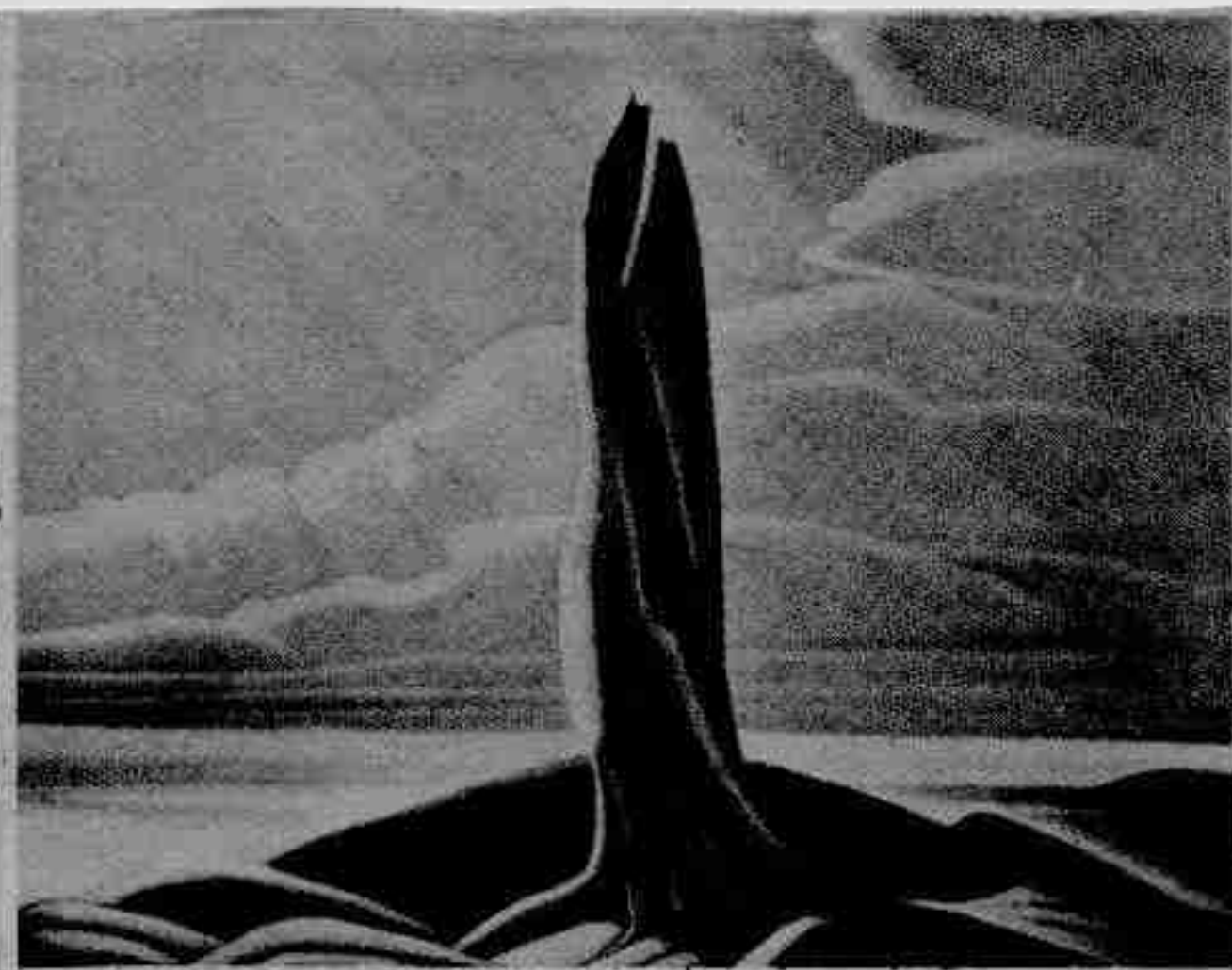
It is the judgement and the program of the Canadian Liberation Movement of which Lord is a leader, specifically of what Lord calls "our artists organization," Canadian Artists Representation, which would place them, not so much on the side of the revolution, as it would put them at its very head. This elite group, and not the leaders and the mass party of the working class, would appear in Lord's mind to be the vanguard of the revolution.

This concept is in complete violation of the Marxist, certainly the

Leninist, concept of the relation of the political vanguard to art and artists. Whereas the national executive of the CLM edited the manuscript of Lord's History, with all its judgements and exhortations, the Bolshevik party in power under Lenin made no judgements or evaluations and was for complete freedom of artistic expression. It was under the Stalinist degeneration that the dictates of socialist realism, major tenets of which Lord picks up,

art

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**North Shore, Lake Superior —
by Lawren Harris, 1926.**

Contrasting this painting to Tom Thompson's *The West Wind*, Lord writes: "The stump, rather than being an image of heroic endurance like the trees battling the winds around them, is a derelict victim of some lightning storm of the distant past, cracked open and worn smooth by many seasons. It does not resist; it simply reflects the sky's light."

Harris, looking back at his and the Group of Seven's work forty years later, noted that: "The Canadian landscape is much the same today, but our sense of environment has changed, and with it our values; we no longer think of the northland as remote and inaccessible. Today nearly all parts of Canada are within swift reach by air; the canoe has become largely a pleasure craft, rarely a vital necessity."

The effect of these rapid changes on art in Canada has been to move us into the mainstream of international movements in art, so that today the particular spirit of creative adventure that motivated the artists of the Group of Seven and their attitude toward and response to the country which gave their paintings their distinctive character cannot be revived or repeated. We are in a time of transition."

came into force.

Insofar as it is a history of Canadian painting to some considerable degree it stands on stilts, above and quite removed from the social conditions that prevailed at the time the various artists it deals with lived and worked. Notably lacking is even an outline of the economic foundations of Canadian society and their evolution. We are given little insight into the circumstances under which the population, the various classes, lived, or the forms of production that determined the relations of the population to production and to one another. This is all the more important to a history of painting, for so long as there was little economic surplus, a rooted culture has difficulty in developing, and the culture of the colonizers, French feudalists and later British capitalists, inevitably prevails.

Even when painters seek to present a new concept they are temporarily obliged to borrow old forms. That the painter of one of the portraits of the revolutionary democrat Louis-Joseph Papineau chose to present him in classic dignity rouses Lord's contempt. The extreme physical and cultural poverty of Upper Canada left us almost no painting of the 1837 rebellion. The crude portrait of William Lyon Mackenzie is not a work of art as Lord contends but only a poor, even though interesting, memento of a significant personality.

Not only is there little about the economic foundations but there is almost nothing about the ideological superstructure of Canadian society, the political, legal, religious, aesthetic and philosophical system of ideas and institutions that arose out of them.

This lack is all the more surprising in view of the fact that C.W. Jeffreys' three volume *Picture Gallery of Canadian History* contains a great wealth of this material and in a pictorial form. Lord is not at all unfamiliar with this material as he extrapolates Jeffreys' drawings of political events and on their evidence presents him as "the artist who most fully and consciously grasped the need to advance (beyond the Group of Seven) to the next stage," as a great artist when in reality he was not so much an artist as an intelligent observer and a competent illustrator.

In place of a rounded historical materialist analysis of Canadian society and the place of a particular artist or group of artists, or a particular painting, in it, Lord comments on a whole succession of paintings. Primarily his judgements

are formed by his somewhat thin and mechanical interpretation of political events of the time and the tasks that he would impose on the working artists of that time. While the quality of a painting as art can be discussed objectively, this highly subjective interpretation of a painting whose creator we often have little knowledge of is extremely risky and of doubtful value. It is here that Lord makes some of the most harsh and sometimes most absurd and sometimes inadvertently hilarious observations — particularly notable in this respect is his dismissal of Cornelius Krieghoff and Paul Kane.

There is also lacking any serious attempt to develop a theory of art. Not that Lord does not have something that he passes off for one. While it is applied in the previous pages, it is only formally presented on page 143.

Here Lord presents the thoughts of Mao tse-tung on art. According to Mao, writing in 1940 in the midst of a desperate war-revolution in underdeveloped colonized China, art must be national, scientific (according to Lord "in painting this means realism") and democratic — the art of all those classes in the colony "united in fighting imperialism led by the working class."

This leads Lord to not only make as his fundamental criteria for any painting to win his approval that it must depict the working class, it must also project "their ability to unite together to fight and win." This latter concept expresses the difference, according to Lord, between documentary realism and social realism — the latter being the higher form.

Thus Lord's theory of art is that it is propaganda, and not at all in the broad sense that great art expresses great ideas, but in the most simplistic sense, that it must express in the most direct and immediate way the needs of the struggle as CLM outlines it.

On the basis of these criteria, Lord points to Quebec of the late 1930's as the seat of danger to Canadian art, to Alfred Pellan and to the now deceased Paul-Emile Borduas who moved from cubism to non-representational art. Borduas' experimentalism, his contact with the French surrealist Andre Breton, and his considerable success on the New York art scene, bring down Lord's wrath — so much so that he is unable to make an honest assessment of the manifesto that Borduas published in 1948 against the oppressive Quebec society entitled *Refus Global* (Com-

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Blumden Harbour - by Emily Carr, 1928-30

Lord dubs Blumden Harbour, strongly influenced by Lawren Harris and Expressionism, as "social realist." So that it fits his category he describes the painting: "These austere figures full of dignity, show us the strength of the native peoples, their ability to fight back. They stand as guardians on the dock, an identification of this village and a warning to unfriendly visitors. The rage of the native people at the destruction of their proud civilization can be sensed in the raised fist closest to us and in the determined expression of the three carved faces. Especially in the powerful head in the foreground, dark against the sky with the lines of the clouds crackling away from it as if to manifest its strength. Emily Carr has used the dramatic sculptural shapes of the Kwakiutl to show the might of the native people."

Still recognizing it as a superb painting, Blumden Harbour can be interpreted in a totally opposite way from Lord's clenched-fist theme.

plete Rejection).

It is here that Lord, through Breton, drags the Russian revolutionary Leon Trotsky into the drama of Canadian art - by the hair. He smears Trotsky and the 'Trotskyites' as "having been proven to be working in the pay of the police, the imperialists and even fascist governments." Trotsky's collaboration with Breton and Mexican painter Diego Rivera in the publication of a manifesto "Towards a Free Revolutionary Art," is presented by Lord as "a collaboration with surrealism" and as being "completely

in character." The surrealist views, largely dished out to us from the mouth of the charlatan and mountebank Salvador Dali, according to Lord, "were actually preparing the way for the imposition of total control by the enemies of all freedom, the fascists".

Contrary to Lord's contention, Trotsky as a political leader was not a partisan of any specific school of art. In a note concerning Breton on October 2, 1938 he said that "we do not bear the slightest responsibility for him. In the domain of art which takes precedence for him he natur-

ally has the most absolute right to do as he wishes. It is not for us to get involved in artistic tendencies but to unite them against the totalitarian attacks on art. Any attempt on our part to subordinate artistic tendencies as such to political interests could only compromise us in the eyes of true artists."

For the record, we would note that Trotsky had an occasion to express his personal opinion as to who is the foremost artistic exponent of the spirit of the October Revolution. It was Diego Rivera. "Nurtured in the artistic culture of all peoples, all epochs," he wrote, "Diego Rivera has remained Mexican in the most profound fibres of his genius."

From his relation via Breton to the Quebecois painter Borduas, relations which Lord admits may well have been totally unknown to the latter, Leon Trotsky and Trotskyism continues to be Lord's bete noire of Canadian art. In this later stage, it is through the influence of the US art critic Clement Greenberg, "from his beginnings as a Trotskyite advocate of art as an individual self expression in the late 1930's and early '40's...."

According to Lord, Greenberg, "the agent for US painting" derailed a whole generation of Canadian painters with his theories of abstract, non-representational painting, in particular his development of color-field painting which Lord characterizes as "the abstract expression of the global ambition of US imperialism, the spatial claim of strategic air command."

While presumably as a partisan of historical materialism, Lord rejects the idealist concept of the great man theory of painting, with Trotsky he injects the devil theory of painting - a bogeyman to frighten Canadian painters from transcending simplistic representations of workers fighting and winning.

For Lord, with his theory of documentary and social realism, the high point of Canadian art would appear to be the painting by certain Canadian artists during the Second World War. He is lavish in his praise of the paintings by Jack Humphrey and Paul Goranson which are little

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more than patriotic poster art. He singles out for special admiration the paintings of Frederick B. Taylor, the scion of the millionaire Taylor family of Rockcliffe.

He is compelled to admit that Taylor's paintings of workers in wartime production in Montreal shops did not evoke much response. "Most now have to be rediscovered," just as it was left to Lord to discover "our greatest monument of social realism to come from the Depression" – a series of cartoons for a mural that Miller Britain of New Brunswick was never able to paint. The most stimulating aspect of these cartoons as well as Britain's other interesting efforts, are Lord's descriptions – for it is apparent that Britain, whatever the reason, did not develop as a painter.

Could it be that Taylor's portrayal of workers applying tracks to a tank by brute force violated the known and obvious truth that they cannot be applied this way, but are applied by machine? Could it have anything to do with the fact, which Lord is compelled begrudgingly to admit, that Taylor obviously did not have the technical skill to realize his aim. Could it be that the Quebecois workers only too clearly understood them to be propaganda urging them to sacrifice for a war that their own acute national consciousness told them was not a "Canadian war," but an English war; on the part of the capitalist powers an inter-imperialist war, which the Quebecois, not deceived by propaganda couched in a false internationalism, opposed all during its course?

Taylor's tank track social realism is just as lacking in elementary truth, both factually and pictorially, as Lord's verbal picture of the "patriotic" response of the Quebec working class to World War II. Lord attempts to explain the failure of the union to respond to Taylor's paintings in the way that he thinks it should have, because it was "a typical US-run business union."

The note that Lord strikes here extends right through this book.

When Lord declares that art must be national, he means something quite other than that it must sink roots in and become an integral part of the culture of a nation or a people – in this case the Canadian people – in order to develop that culture. The greatest crime that a Canadian artist can commit against his art, according to Lord, is to adopt what he calls an "imported style". Even at a time when reproductions were poor and there were few if any exhibitions of artists of international reputation in Canada, a Canadian artist's leaving for some other country to study is always presented as threatening corruption. For a Canadian artist to show concern about the opinion of his contemporaries in other countries is characterized by Lord as a sign of cringing colonialism.

Lord's book is permeated with a narrow parochial spirit. It is xenophobic and chauvinistic. He adopts a protective and even condescending attitude towards Canadian artists and to the Canadian working class.

He condemns Picasso's famous painting on the Spanish Civil War,

Guernica, as "a highly individualistic act of protest. Its distortions," he claims, "have to be explained to any viewer and its precise meaning has been the subject of endless scholarly debate."

Fortunately the Canadian people and Canadian artists do not share Lord's simple-minded view. Canadian art cannot develop, the level of Canadian culture cannot rise to the historic task that, in words, Barry Lord would give it – the socialist revolution – without placing itself in the mainstream of world culture, without learning from the work of all schools and peoples of our time, and the art of all epochs. And that is exactly what Canada's artists in every field of creativity instinctively grasp in the considerable ferment that is taking place from coast to coast. They want to create, they want to get published and be shown, they want to develop a culture that is relevant to audiences in this country and that can take its place in world culture.

The above article is based on a contribution by Ross Dowson at the Forward Friday night Forum in Toronto on January 31, 1975.



First Ontario all woman union executive elected in steel local at Pembroke appliance factory.

Women unionists launch new movement for rights

by P. Kent

Preparations are now well underway for the founding convention of a coalition of women activists in the Ontario trade union movement. The Ontario Federation of Women Teachers, meeting in Toronto this month, has already endorsed it. York County delegate Bea Bryant's motion was presented in the name of the executive to the 600 delegates urging full OFWT participation.

Following a May 3-4 conference at Humber College, funded by the Metro Toronto Labor Council and which attracted almost 250 women unionists (among them official delegates from 15 unions), a meeting of 60 women members of bona fide collective bargaining units was held on June 12. That meeting elected a 10-woman steering committee head-

ed up by Toronto United Electrical Workers' organizer Evelyn Armstrong. It also struck off several sub-committees.

Early in August the Canadian Labor Congress executive convened a meeting of designated women unionists in Ottawa. CLC executive-member and CUPE leader Shirley Carr chaired the meeting which brought more forces into the picture.

The various sub-committees struck off by the Toronto June 12 meeting will be reporting back to a recall meeting planned for late in September. The decisions to be made at that meeting will go a long way in determining whether these important moves will lead to a powerful formation of women unionists firmly entrenched in their

local unions and able to struggle for women's rights on the job, or just another of the many resolution-passing conferences that this International Women's Year has been witness to. Everything appears to be shaping up for a strong body of union local delegates who must be the decisive factor if the coalition is to win the support of organized labor. The meeting will also decide the date of the founding conference which in all probability will be early in December.

The BC Federation of Labor has issued a call for a Women's Conference open to all women belonging to affiliate bodies and delegates from union locals. It will take place in Vancouver on the University of British Columbia campus.

Sit-ins rock the jails

Prisoners form union

by Paul Kane

Spokesmen of the federal government who administer a vast network of prisons across Canada have scoffed at BC penitentiary prisoners' demands that their newly-formed union be recognized. Penitentiary Commissioner André Therien has called it "just too absurd," and Solicitor-General Allmand has said that it is, "completely unacceptable."

But the Attorney General of the BC NDP government, Alex Macdonald, who has ordered the phasing out of the solitary confinement unit at the Oakalla provincial prison in Burnaby, agreed that he was glad the PUC, which had sought such an action, exists, because through it he could better communicate with prison populations.

The Prisoners Union Committee,



Paroled prisoner Keith Baker working to organize a union for BC prisoners.

initiated about a year and a half ago by a group of lawyers, social workers and former prisoners and their families, won the unanimous support of the 450 inmates at the BC penitentiary in New Westminster who carried out a week-long sit-in for recognition and collective bargaining rights. The completely peaceful strike also won the support of the prisoners at the Matsqui Institution in Fraser Valley.

No sooner had the BC strike been called off when 298 prisoners at the Millhaven maximum security prison near Kingston, Ontario sat-in in their cells demanding union recognition. Attempts to outmaneuver the prisoners' action by a declaration of an official holiday failed to bring the prisoners out of their cells for eleven days.

Subsequent action by the authorities to penalize five of the so-called ringleaders by segregating them brought a further sitdown. Toronto lawyer David Cole said the federal penitentiary service can expect continuing work stoppages and hunger strikes until the prisoners' demands are met.

Michael Bolton, lawyer for the BC Prisoners' Union Committee, said in defence of unionization of prisoners which has so upset government and orthodox opinion: "Scratch the surface of almost any prisoner in Canada and you'll find a working class poverty background. The basis of our position is that they're all political prisoners."

Another activist in the union, parolee Keith Baker said: "I am in jail over drugs. I'm fighting a battle to change laws. That's politics." The American Indian Movement, which has joined PUC solidarity actions, considers all Indians who languish in jails out of all proportion to their weight in the population, as "political prisoners."

Que. workers for autonomy

The 6,500 members of the Ouvriers unis des textiles d'Amérique (United Textile Workers of America - CLC) in Quebec have entered into a struggle for a militant, autonomous Québécois union in seeking to have their Quebec director François Gagné reinstated after he was fired by the international headquarters in the United States for "insubordination". A group of 50 Québécois officers of the union are appealing to the QFL (Quebec Federation of Labour, CLC) for help. Gagné, leader of the provincial council, became the centre of the longstanding dispute with the international when he refused to support its attempts to impose a settlement in a strike against Johnson & Johnson Ltd in 1974. The council, in the past merely a consultative body, seeks the power to hire and direct all Quebec union of-

ficers, to conduct contract negotiations and initiate educational programs, with a new sharing of revenue from union dues.

The Québécois membership are also demanding that the French language be used in union affairs and in negotiations. At present, contract negotiations with Dominion Textile are conducted in English because one of the union's reps, a Canadian director, does not speak French.

These demands grow out of an increasing resentment against the international, which has recently ordered strikes at Valleyfield, Trois-Rivières and St. Jean terminated on the grounds they were "illegal"; and because the union has suffered membership losses to more militant centrales such as CSN, and even CSD.

A major study of the failure of the Canadian CP

Pioneer struggles to build workers' party

by Ross Dowson

This book* is about an awesome and magnificent concept that a core of far-seeing Canadians have about the future of Canada and the world: (1) that Canada can go and is going socialist and (2) that the type of political party necessary to overcome both the machinations of the capitalist class and their hangers-on and the inexperience and lack of unity of the working class can and must be built.

It is a history of a stage in this experience, of a political formation launched by a heroic band of men and women as the Workers Party of Canada in 1922 (it adopted the name Communist Party in 1924) as the embodiment of that aim, but which went sour.

This book is the first serious attempt to write what even approaches a comprehensive history of the Communist Party of Canada. No one in that party itself, despite its considerable publishing efforts, has even attempted such a work. At best the material from that source is anecdotal and essentially apologetic. Even a casual survey of Avakumovic's book tells why. What calls itself the CP of C today could not present anything that could even pretend to be a history.

Its founders, and a whole series of others who became its leading proponents at different stages in its evolution, drew, one after another, damning and sweeping conclusions as to its subsequent total incapacity to realize its declared aims.

Avakumovic scrupulously records these basic facts. The youthful party's leading theoretician and chief publicist Maurice Spector expelled in 1928, to be followed within months by Jack Macdonald, its executive secretary and its most

popular mass figure. They attempt to organize an opposition to reform the party but by 1934 conclude that it is completely bankrupt and the work must be commenced anew.

While the Communist Party's zigs and zags throw thousands of cadres out of its ranks slightly more than 10 years later, Fergus McKean, the leader of what was then called the Labor Progressive Party, BC section, the largest outside of Ontario, also concluded that it is necessary to start anew when he and others attempt to launch "The Communist Party of Canada."

A little more than 10 years later – in 1957, J.B. Salsberg, a member of the Ontario legislature and for years the party's trade union director, around whom the majority of the party's leadership had gravitated in their fight with Tim Buck, calls for a "new alignment of Marxist and socialist forces in Canada" because "the LPP, with its long history of subservience to the CPSU, its dogmatism, its sectarianism, its isolation from the masses and the distrust with which it is regarded cannot be transformed into... (a party) that will creatively apply all that is valid in the body of scientific socialist knowledge to Canadian conditions and chart our own Canadian path to socialism."

Ten years later in 1969 – two former members of the political bureau – one John Boyd, editor of the press after 1956 and Canadian representative on the editorial board of World Marxist Review in Czechoslovakia, and Stanley Ryerson, the party's leading educator – leave. Ryerson departs with the observation that "we at best are no more than a barely marginal force."

What called itself the Communist Party of Canada, its continuity reduced to the symbol of Tim Buck, remains in existence. But it is by no means what it set out to be in 1921 – a force to gather revolutionary cadre

and to train cadre for a Marxist-Leninist mass revolutionary party. Instead it has become a reformist formation of a unique type, a devourer and destroyer of revolutionary cadre, on a diminishing scale it is true, but which the revolutionary left even now continues to pay a high price for.

Avakumovic's book sketches in the dizzy twists and turns of the CP:

— The so-called Third Period (1928-34) when it flew off into a devastating ultra-left tangent, characterizing the CCF as social-fascist, transforming the promising Trade Union Educational League into the Workers Unity League and pulling its union militants out of the main stream of organized labor into sectarian isolation.

— The complete reversal to Popular Frontism, when the CP practised the most crass forms of opportunism and class collaboration with the populist and quasi-fascist Social Credit movement of Alberta, and tried for the same with the Liberal party of Big Business.

— World War II, and for a period when Stalin allies the Soviet Union with Hitler-Germany, party spokesmen oppose it as an imperialist war – until that alliance that gave Hitler the green light and left the USSR unprepared is ruptured, and overnight it becomes a just war. Released from prison the CP leaders put themselves forward as chief advocates for conscription and the no-strike pledge that even the Canadian Labor Congress leadership couldn't swallow.

— War's end, and in the spirit of Teheran and stabilization of a world in upheaval, the CP promotes the demand for a Liberal-Labor Coalition, shamelessly collaborates with the Liberals against the CCF-NDP



Vote Yes for Victory

Prime Minister King, who dragooned the Canadian people into World War II, thanks primarily to the opposition of Quebec was compelled to promise a plebiscite before his Liberal government would impose conscription. The CP placed itself in the forefront of the campaign for a Yes vote for conscription at the same time that it demanded the union movement make a no-strike pledge to the war-profiteering bosses. The above photo is from an official CP celebration publication that appeared only four years ago.

and condemns the CCF-NDP for even raising the concept of socialism. The cold war and the spy scare. Then the LPP's national chauvinist campaigns for Put Canada First and a democratic national front.

Despite his accurate recording of its effect, however, Avakumovic doesn't have the remotest grasp of what lies behind these dizzy twists and turns, of what Stalinism is, "either" in the USSR or the process of the Stalinization of the Communist Party of Canada. Avakumovic mentions but fails to present or come to grips with Spector's reasoned support of Trotsky's Criticism of the Draft Program of the Communist International. With unparalleled insight on what appeared to

*The Communist Party in Canada – a history, by Ivan Avakumovic, McClelland & Stewart. \$5.95.

many at the time to be an academic debate on an abstraction - whether socialism can be achieved in one country - Trotsky revealed the CPSU's betrayal of the world revolution, and the social roots of the rising bureaucracy whose interests required that.

Behind all its zigs and zags, accurately synopsised by Avakumovic, is the transformation of the CPC from a party aimed to establish socialism in Canada into an instrument of the diplomatic requirements of the Soviet bureaucracy. They have nothing to do with any changing requirements of the struggle for socialism in Canada but are responses by acolytes of the Kremlin to the shifting requirements of the bureaucracy in its diplomatic maneuvers between the imperialist powers in the name of collective security and peaceful coexistence.

Equating Bolshevism with Stalinism, and assuming that the CP is "a Leninist type party," Avakumovic proves unable to make a correct assessment of when the CPSU actually did make a useful contribution to the development of the youthful CPC and when later it brutally intervened, using its prestige and power in violation of the interests of Canadian socialism. In attempting to make a balance sheet of CPC association with the CPSU he places the CPSU's early revolutionary advice on the need for extra-parliamentary activities on the same plane as its much later completely class collaborationist imposition of Popular Frontism.

When taking up the position of CPC subservience to the CPSU and the Comintern, after he has documented case after case (including one where a party commission which numbered Buck himself in its

ranks affirmed from on-the-spot observations the Russification of the Ukraine, only to withdraw it upon a CPSU protest, as an official party document). Avakumovic astonishingly comments that the CP "did not pioneer in left wing circles this reliance on Messiahs and foreign panaceas." The cult of Stalin to which the cult of Buck was fastened, designed to intimidate the slightest political questioning, is likened by Avakumovic to "the inspiration and guidance" that Canadian socialists got from DeLeon, Debs, Haywood and Keir Hardie. He presents the admiration of workers for exemplary socialists as differing from the poisonous cult of the infallibility of Stalin only as a matter of degree.

In his summary chapter he even rationalizes the CP's treacherous policy of "Liberal-Labor Coalition" as an act "to further the Communist cause and to 'by-pass' the CCF." Instead of ridiculing or chal-



While the world stood aghast in horror at the US atomic destruction of the helpless peoples of Nagasaki and Hiroshima, the Communist Party press Canadian Tribune, August 18, 1945, hailed this crime against all of humanity as KO-ing JAPAN WARLORDS, and boasted of the participation of scientists associated with it in the work that "produced the bomb".

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lenging the CPC for violating its claim to be a fighter for socialism – he actually institutionalizes the CP and even continues: “The only other policy they could have adopted would have been the dissolution of the CPC-LPP and the entry of its members into the CCF-NDP.” He does not pursue this interesting question except to say that it could not be countenanced.

In the process of his obviously honest and acute research Avakumovic brings out information that throws new light on old questions and points up new problems that it would be valuable to research. For instance – how was it possible for

Buck to succeed in isolating the two top leaders of the party, even given the prohibition upon pain of expulsion of anyone seen talking to them, and the hooligan attacks against them? Avakumovic’s research shows that the CP was not only very small but was in the process of serious decline and no doubt demoralization. In 1929 it numbered 2,876 members and was declining rapidly so that in 1931 it had only 1,385 members. It was also composed almost entirely of East Europeans not integrated in the Canadian class struggle and its problems, and tightly bound to the party as an institution. In 1929 East Europeans constituted 95% of the total membership. One quarter of them were women. And according to an official report of the 6th national convention “at least 90% of these women were housewives who shared the ethnic backgrounds of their husbands. Most of the Communist housewives were ... ‘inactive, passive elements’ in the CPC.”

Unfortunately Avakumovic continues the longstanding neglect of Spector and Macdonald as revolutionary leaders, and the conspiracy of silence on another key figure, William Moriarty. He even reinforces the Stalinist myth that Macdonald not only had no interest in Marxist theory but even held to the Lovestonite concept of American exceptionalism in the face of



The Workers Party, later to be known as the Communist Party, brought together Canada's revolutionary socialists behind the liberatory ideas of the October Revolution. Maurice Spector makes a point while (from left) Bill Moriarty, Tim Buck, and Jack Macdonald listen. By the opening of the thirties all but Buck had been expelled. Spector, who had been editor of the party's press and its leading theoretician, and Macdonald, unionist, its best known figure, and its general secretary, joined together to continue under the banner of Trotskyism. William Rodney in his book **Soldiers of the International** – a history of the CPC, 1919-1929, U of T Press writes: “Macdonald's expulsion marked the end of an era in the history of the CPC ... As the CPC entered into the dark decade of the 1930's ... the Canadian party became a mere satellite, firmly in the orbit of the CPSU.”

the spreading world-wide depression, although there is no evidence whatsoever to sustain it.

He provides information that cuts across some of the romantic concepts that are being woven by new left writers who are examining the experience of building a revolutionary party of the vanguard type.

Avakumovic touches on two important questions that the early CP attempted to come to grips with and which still perplex the Canadian revolutionary left. Under the leadership of Spector and Macdonald the CP appears to have been notably free of sectarianism and dogmatism. While building and maintaining the

integrity of its own ranks it boldly worked in the Canadian Labor Party which arose in Winnipeg through the efforts of socialists and trade unionists in 1921. Both Spector, Macdonald and other leading spokesmen of the CPC held office and ran as official candidates of the CLP. While it appears to have been in decline and was suffering from

red-baiting this experience with a labor party formation was terminated in the so-called Leninization or Bolshevization, in reality the Stalinization of the CPC, following the expulsion of Spector and then Macdonald. This suppressed episode became one of their criminal

deviations. According to a party leader in 1935 writing in the Communist International, “They sought to destroy the independent leadership of the workers by the CP, by tying it to the tail of the now defunct CLP.”

The early CPC also popularized the demand of Canadian independence – at that time from the British imperial connection. Spector characterized the Canadian capitalist class as a “suppressed colonial bourgeoisie which must be pushed forward to more aggressive action against British imperialism.” This question too was buried by the Stalinization of the CP. While Buck equivocated, some of the youth who subsequently headed the Stalinized party – Morris, Weir, Carr – under the encouragement of the Comintern and also backed up by Browder of the CPUSA, adopted the position that “Canadian political economy contains all the characteristics enumerated by Lenin in his characterization of imperialism with the single exception of the possession of colonies.” This slogan too became evidence of Spector’s opportunism and in the campaign against Trotskyism was pushed aside.

One cannot demand of Avakumovic that he stand in the camp of socialism. He doesn’t. But the fact that he stands in the ranks of the bourgeois liberal democrats does serious harm to his book. In his preface he writes that Ottawa and Quebec governments “found it necessary” to harass the CP. He even suggests that the murder of three Estevan miners in 1931 by “cornered RCMP officers” was due to incitement by Communist agitators. Elsewhere he stands aside to attempt a balanced judgement of the pluses and minuses of the “Communist contribution to the quality of Canadian life” (sic).

But all in all no matter its weaknesses, Avakumovic’s book is essential reading for the growing ranks of Canada’s revolutionary socialists.

Answer Bell extortion with nationalization

The Canadian public is being held to ransom by the most rapacious and profit-gouging monopoly - Bell Canada.

When Bell Canada applied for an "urgent" \$28 million rate increase from the Canadian Transport Commission this summer, the commission immediately granted half the requested increase and undertook to reconsider the second half this fall when it examines Bell's general rate increase application - worth \$40 million in added revenue over a full year.

But this was not enough for this monopoly which has about \$6 billion in assets and which earned over \$2 billion in revenue last year, representing a 12% annual profit increase. Bell immediately began major cutbacks in service. Homeowners who had been promised telephones within a week were informed suddenly that they would have to wait until next July because of a shortage of capital to obtain cable from its wholly owned subsidiary Northern Electric! The latest cutbacks occurred in Waterloo, Ontario where the company stopped installing telephones in several new subdivisions, although wiring to complete the job is on the homeowner's doorsteps.

The response of the Canadian government to Bell's pretenses that it cannot raise sufficient capital to maintain new installations and other usual services has been typical: someone in the Consumer and Commercial Relations Department has been instructed to look into it.

A much more logical response to Bell's blackmail tactics comes from the board of directors of the Civil Service Association of Ontario: "The Board of Directors of this (60,000 member) union feels the provincial government must be prepared to act and to stop at nothing short of nationalization,

Continued on page 2

Bell wired for profit

Continued from page 1

if necessary, to ensure that Ontario residents have the telephone service they expect."

In a letter to Ontario Premier Davis, union president Charles Darrow said, "I would suggest to you that in the heat of an election campaign you might well be advised to tackle this large corporation which sits in a very wealthy monopolistic situation..." The letter called for "a freeze to Bell increases until a public inquiry is satisfied that rate increases are necessary and the services now being withheld are a result of dire financial hardship - tantamount to bankruptcy - on the part of Bell Canada."

The company's "gouging tactics" affect every family in the province, Darrow said in his letter. Commenting on the low rates for Winnipeg telephone users through the publicly owned Manitoba Telephone System, Darrow said, "We believe public interest must be placed before private profit and dividends to shareholders." There is hardly a single telephone user in Quebec or Ontario who hasn't been subjugated to the arrogance of "Mother Bell." This outfit, controlled by the US communications giant American Telephone and Telegraph, has a complete monopoly on the entire communication carrier industry in the two most populous provinces in Canada. Bell's blackmail tactics follow rate increases which recently doubled pay telephone charges and increased monthly charges to all users. Bell's latest cutbacks underline clearly the necessity to end once and for all the sanctioned robbery of telephone users in Canada. This monopoly should be placed immediately under public ownership.

Hands off Portugal

The Portuguese struggle for socialism is being subjected to a barrage of military, political and economic threats from NATO, the United States and the European Common Market. These threats have provided the conditions where a resurgence of reactionary forces are threatening to eliminate the gains made by the Portuguese masses since they overthrew the shackles of the Salazar regime last year and set out on the course of building a socialist Portugal.

The American government's well-groomed image of neutrality in the Portuguese situation has been exposed by a whole series of events: US President Ford's declaration in August that "detente shouldn't prevent us - and it doesn't prevent us - from going in and meeting the challenges where we know the Soviet Union is involved."

The US statement has made it clear that its help in airlifting 300,000 Angolan Portuguese was conditional on having a government in Lisbon which Washington feels it can work with. The US has also backed the boycott of the Portuguese economy by the European Common Market.

Cold war and anti-Soviet hysteria of the vilest character has once again emerged in the world press. The *Toronto Star*, in a series of recent editorials, has typified the sabre-rattling which is now encouraging reactionaries of every form to emerge in demonstrations against the Communist Party. It calls upon the US, Canada and the Commonwealth (India too, we wonder, which has just legalized opposition currents?) to make economic aid to Portugal dependent on a political situation they approve of, that is, the installation of a "pluralist government."

Posing itself today as a champion of democracy (where was its outraged pen when a semi-fascist regime held sway over Portugal for decades?), the *Star* declares that "the NATO alliance should also remind the Portuguese Communists that holding at gunpoint a people who have voted for liberty will not be tolerated." (But the old bugaboo of Communism does not work so well now as the *Star* is itself forced to acknowledge when it states editorially on August 13th that "Russia is not bold enough to intrude too obviously in the West's old sphere of influence," and that therefore "Western leaders should act on that immediately." Masked behind anti-communism, the real concern of the *Star* is not Soviet influence, weak in Portugal to begin with, but to destroy the real democracy that is unfolding which involves all the masses and threatened only private property rights.

The threats of military intervention, economic blockade and moral encouragement to any oppositional tendency has no doubt had its effect on the riff-raff which has been so enthusiastically encouraged by these declarations and threats: the Spínola clique, the Falangist clerics who have organized the sacking of Communist Party headquarters in the north of Portugal in order to roll back the leftward turn within parts of the Armed Forces Movement and the mass movement, and most important, the leadership of the Socialist Party of Portugal, who, in the wake of the economic chaos within Portugal, have played the role of a left cover for the Portuguese reaction.

The military threats and blackmail tactics of imperialism have undoubtedly created the conditions where anti-working class forces have taken root and flourished within Portugal.

The Socialist Party's "democratic initiatives" - a cover for measures to discipline the working class and reassert the old capitalist order - have been the most recent maneuver encouraged by imperialist backing.

All believers in democracy - let alone the socialists - must expose loudly and clearly the myth of imperialism's non-involvement in Portugal. The conditioning of world public opinion to Western intervention in Portugal - whether by direct military means or otherwise - must be countered by an international campaign to permit the Portuguese people the freedom to continue their political course towards socialism free of threats of US and NATO military intervention and economic blackmail.

■ SPECIAL FORWARD FORUM ■

Friday, September 19, at 8:00 PM

To be held at 252 Bloor St. West, Room N401

● POST-ELECTION ROUNDUP ●

assessing the results of the elections. Panel discussion with NDP candidates Bob Sherwood (Don Mills), Anne Marie Hill (Scarborough East), Howard Moscoe (Wilson Heights), and others.

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Ten Lost Years 1929-1939 by Barry Broadfoot is now available as a paperback for \$4.95. It is not an economic analysis of the workings of the capitalist system which inexorably led to the world wide depression, and its impact on the Canadian economy. It is not a study of government and opposition party policies or resulting social movements, nor even an attempt to evaluate the immediate impact and subsequent results of this cataclysmic event: the first profound experience that the Canadian working class had as a class with the capitalist class of this country and their system.

It's - what it was like, as told by what Broadfoot calls "ordinary people. The survivors. The soldiers, so to speak, not the generals... it is a picture of greed and heroism; of determination and despair - the grass roots story of a period that still affects Canadians today." And we might add - quite unknown by the generation of workers many of whom are facing widening unemployment today.

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This Magazine, since it dropped *About Schools* from its title, widening its horizon to "Education, Culture, and Politics", has become an increasingly vital factor in the Canadian radicalization. The July-August issue contains several issues of importance.

Daniel Drache's article *Canadian Capitalism-Sticking with Staples*, is an examination of "Canadian capitalist development from the perspective of its 'incomplete' nature". Drache sees Canada as "a hybrid or

'incomplete' form of capitalism... under-industrialized by imperialist interests but not completely dependent and sharing many of the social relationships of advanced capitalism (such as found in Britain and the U.S.)".

"The reappearance of Canadian nationalism," writes Drache, "stems also from our focus on a resource economy and the growing concern over our economic and social dependence on the US."

"The distortions produced within Canada by imperialism," he suggests, "will produce a very different political atmosphere and perspective on Canadian independence in the coming decade."

The area covered by the regular feature *Labor Notes* is expanded this issue by a polemic in the letters column between UAW Publicity Director Jerry Hartford and Dave Paterson who defends his article that appeared in the January issue on class collaboration and collusion by the union leaders with corporate owners and management.

Canadian publisher James Lorimer contributes an extensive article on *The Political Economy of Canadian Publishing*. The book medium in Canada, he shows, "has been dominated both in ownership and in content by the imperial cultural centre and Canadians involved have almost to a man been willing junior partners... The consequences of this arrangement have colored an enormously wide range of Canadian cultural, intellectual, political and social life. No one can doubt that this fact has been crucial in maintaining a colonial and dependent state of mind and of intellectual life in Canada."

Lorimer provides some interesting insights into the phenomenal growth in the market for Canadian books. "In the last decade Canadian books have at least doubled their share of the retail bookstore market in Canada. Whereas in 1965 Canadian-authored books would have represented no more than 10% of total bookstore sales... by 1973 Canadian-authored books reached 20% of total bookstore sales, and in 1974 that figure was probably 23% or 24%."

This gain, Lorimer points out, has nonetheless "been severely limited by the domination of major trade book markets by foreign-owned distribution companies with a vested interest in refusing access to these markets for Canadian books. Meanwhile the ground which Canadian writing has been gaining in trade publishing and in the retail bookstore has been *more than lost* by the disastrous events in educational publishing where foreign firms are now in complete control."

Lorimer calls for policies by Ottawa comparable to the US and other countries, which he says "have been remarkably innovative in demonstrating how to use legislation to create a strong national book medium. "A national policy for publishing would start with a creative use of Canadian copyright legislation..." He sees the strength and independence of book publishing as essential to an independent Canada. The abject acquiescence of the Canadian government to US domination leads to the conclusion that there can be no independent Canada which is not a socialist Canada.



CUPE hits labor board

In his dissenting report to the Ontario Labor Relations Board, labor representative Patrick J. O'Keefe, scored "legal adversary gamesmanship" which he warned is making mockery of the proposition that the Ontario Labor Relations Act is designed to encourage collective bargaining.

The case involved intimidation by the bosses of Dortha Knitting Mills Limited of Canadian Textile and Chemical Union members' attempts to win a certification vote.

O'Keefe warned that industrial relations are being used as an exercise arena for "union busting" lawyers. Certain lawyers have a record of acting and behaving in an irresponsible, provocative and dis-

ruptive manner, he said. "The Agnew, Mitchell, Nixon - type law practitioners south of the border, and the law practitioners closer home who put their legal training and expertise into pursuit of loan sharking, usurious mortgage brokerage and other equally distasteful anti-social endeavors, including destroying unions and unlawfully dealing with employees," he warned, "are a far greater danger to the continuation of our democratic society than any known insidious group espousing the destruction and breakdown of our system."

The final version of this report which was accidentally leaked to the press was considerably toned down. O'Keefe said it was "perhaps unfair."

Maritime brass hit new low

The handful of delegates from Canada to the US-based International Longshoremen's Union convention in Miami are toeing the US bureaucracy's line. Their vote made the decision of the Miami convention to refuse to load grain going to the USSR a unanimous one. If they can clamp it down on the Canadian locals' members in east coast ports, this November Canadian workers will refuse to load 1.6 million long tons of wheat that Canada has sold to the USSR.

This ignorant cold-war decision constitutes such an arrogant intervention in Canadian union affairs that William Mahoney, national director of the United Steelworkers of America, felt called upon, on behalf of the Canadian Labor Congress leadership, to condemn it as an "action that is arrogant beyond comprehension."

"It is very seldom that I criticize the actions of a brother union in public, but what would prompt such an action by a responsible union is beyond my understanding," he said.

BC West Coast longshoremen,

organized in the International Longshoremen's and Warehouse Union, through First Vice-President Dave Lomas, have protested the decision of the ILA which has no members on the Canadian Pacific coast. "If they don't want to handle the grain we will," he said.

The top brass of the Seafarers International Union, the aroma of collusion with the Liberal federal government and goon squad attacks on dissident rank-and-file members still hanging over it, is not to be outbid by the ILU brass and their appointed Canadian roadmen. President Roman Gralewicz has stated that he is willing to sign a 10-year no-strike agreement with Canadian mercantile bosses. His proviso is that operators of merchant vessels flying the Canadian flag on the high seas agree to compulsory arbitration of all contract disputes.

These actions are so much out of step with the growing demands for union democracy and Canadian trade union autonomy that they may well provoke a rank-and-file response that could quickly turn these bureaucrats out of office.

Steel ranks buck pattern

The three year long contract signed by negotiators of the powerful Sudbury local of the United Steelworkers with the giant International Nickel Company, before a vote was held of the 15,000 members, set a far reaching and dangerous precedent for all Canadian labor which is waging a desperate struggle against inflationary wage cuts.

While union militants set up picket lines at the Sudbury complex and refused, despite leadership pressure, to return to their jobs until a vote was held - the vote carried. But it was carried by the narrow margin of 6,856 for, to 4,571 against.

With the Sudbury settlement under their belt the Steel brass moved to settle affairs with the membership at Stelco's Hamilton-based operation and at Algoma Steel Corporation in Sault Ste. Marie. All but one of the Hamilton Local 1005's seven-man negotiating committee recommended acceptance of a contract substantially the same as the INCO settlement, that they had tentatively signed with Stelco. The president predicted a 70% majority. The stewards' body however, unanimously urged rejection. The vote of the 8,656 members who cast ballots went 4,529 to 4,115 - or a mere 414

majority in favor. Opposition was largely based on the local's demand that there should be no more three year contracts - that this one should extend for no more than two years.

Despite these settlements at two of the Big Three basic steel operations, and attempts to keep them on the job, the rank and file at Sault Ste. Marie hit the bricks as soon as the contract expired - no contract, no work. When the vote was held it went 3,711 in favor, 1,924 opposed.

While the Sudbury, Hamilton and Soo contracts established a 90 cent an hour increase in the first year and 20 cents in the second and the third years - there is no provision for cost of living protection in the first year and the uncapped cost of living allowance (COLA) in the second and third years amounts to only a one cent increase in every .3 rise in the consumer price index.

Now the 3,400 workers at the Falconbridge Nickel Mines operation in Sudbury, organized in the independent Mine Mill and Smelterworkers Union, have rejected the Big Three pattern. They are striking for a two year maximum contract. Their victory would do much to overcome the Steel brass' settlements from being imposed as a pattern on all the smaller union locals across the country.

US is calling shots on Cdn military

By Ross Dowson

Arrogant pronouncements like the one US Defence Secretary James Schlesinger made on September 16 to the Trudeau government as to what the strategy of the armed forces under its command should be, no longer come as a surprise. After all, as the one-time US vice presidential aspirant Senator Connally, said: We Americans own the country, don't we? Schlesinger was just talking as a boss to political stooges of a capitalist class who have been long heeling to US command.

Ottawa, which set out in the spring of '69 as a new priority "the surveillance of our own territory and coastlines, that is, the protection of our sovereignty", had only a week earlier suffered the humiliating Gedania experience. This 80 foot Polish schooner with its ten-man crew penetrated some 350 miles into Canadian Arctic waters without being detected by any of the devices designed to protect Canadian sovereignty. Its presence became known only when its crew put into the town of Resolute for supplies. When ordered out and refused permission to sail the Northwest passage it once again disappeared from Canadian military surveillance. Instead of urging stronger Atlantic patrols, with astonishing aplomb, Schlesinger assured a news conference that while "for the defence of North America we should have reasonable surveillance... any particular incident should not be blown out of context." In an offhand way this spokesman of a government which maintains troops on Canadian soil, imposed nuclear arms, and conducted atom-bomb-equipped overflights right up to the borders of the USSR, told Canadian officials that they need not worry themselves about such ideas as defending Canada - that was being looked after more than adequately by Big Brother - by Washington and the Pentagon.

Nothing particularly new in that either. Under the Liberal and Tory parties of Big Business, Canadian sovereignty had long ago both economically and politically been surrendered to the rulers of the US. Following adherence to the US-dominated NATO military alliance and the commitment of Canadian troops to Europe under its command, as Lester Pearson, then Secretary of State for External Affairs, expressed it in October 1951, Canada "voluntarily and whole heartedly accepted the leadership of the United States."

There followed in rapid succe-

sion the expansion of the 1940 Ogdensburg Agreement, into NORAD, the imposition of nuclear warheads on the Bomarc missiles, to the situation where US President Nixon's world wide alert during the October 1973 crisis in the Middle East automatically poised Canadian forces for action, without even so much as a token notification of Canadian officials. Canadian officers, marching in lockstep with the Pentagon's juniors in the Colorado Springs NATO ICBM nerve centre, logically replied to surprised enquiries, "We're Noradians first and Canadians second..."

If Canadian armed forces serve no function whatever in defense from any power that might allegedly be challenging Canadian sovereignty, discounting the US, to which such sovereignty has already been surrendered - in the age of ICBMs from which there is no defense - then just what function do Canadian armed forces have?

As to their function on Canadian soil no one has anything at all to teach the Trudeau government. Its imposition of the War Measures Act in October 1970, above all on Montreal, can only be understood as a dry-run, as a test implementation of a highly detailed and brutal battle plan to impose a police state, when thought necessary, on the Canadian people themselves.

Mr. Schlesinger spelled out the function of Canada's armed forces abroad so that there could be no doubt in anyone's mind. He didn't have to take on a Wilfred Laurier who told pro-British Canadians at the turn of the century who were pressing him to build a Canadian navy that Canada had no need for one as it fell under the Monroe Doctrine - the US declaration of control over Latin America! Ottawa already has a 5,000 man force in Europe comprising ground troops, support soldiers, 85 Starfighter jets and more than 100 Centurion tanks.

Schlesinger directed Ottawa to strengthen its commitment to the NATO forces in Europe. He was so bold as to state that the 2.8 billions of dollars the 10 per cent of the 1975-76 budget gouged out of the taxpayers and now allocated to the armed forces are completely inadequate, Canada's effort does indeed rank low, he said.

Just as he viewed the breach of the North American shield by the Polish ship Gedania with aplomb, thereby

giving the lie to all the cold war propaganda about the Soviet threat to Canadian sovereignty, he likewise said that there is no immediate cause for alarm in Europe.

Instead of uttering dire warnings of a Red Army overrun of Europe, he talked of Canada's responsibility to help maintain the military balance, "otherwise Western Europe is



Army used in Quebec during War Measures Act

likely to fall under Soviet hegemony. Unless we are prepared to defend parts of the world other than North America," he said, "we'd have nothing left to defend except North America."

The usual words "defence of democracy", of "constitutional government", the declared aim of NATO, did not flow from Schlesinger's lips. Perhaps even he sensed their absurdity in the light of the revelations of the Pentagon and CIA role in bringing down the legally elected government of Allende. Only last May, on the eve of a NATO summit, he himself had advocated the expansion of the alliance to take in fascist Spain. And only ten days after he addressed the Ottawa press, on the eve of the world wide protests against the Spanish government's legal murder of its political opponents, his government's representatives, along of course with Ottawa's, voted against a resolution that came before the North Atlantic Parliamentary Assembly urging that the 15 NATO countries refrain from making any moves to admit Spain into the alliance. While the Assembly advised the US and its satellites that Spain was now too hot to handle, with the rightward shift in Portugal, it approved a resolution urging

NATO powers to now give her economic aid.

Schlesinger's talk about the danger of Western Europe falling under Soviet hegemony is a public relations expression of US imperialism's fear for the capitalist status quo in Europe. The socialist left is once again advancing in the British labor party, Mitterand's response to the radicalization has revived the French Socialist Party, the forces for workers' power are crystallizing and have been advancing in the Portuguese struggle, and the Franco regime is unleashing new explosive forces as it heads to the abyss.

Hence Schlesinger's directive to Ottawa is to increase the commitment it made under the NATO pact, to Article IV which unmistakably defined it as a military alliance to maintain the capitalist status quo against developments that would result in workers' states. Article IV publicly affirmed that "the Parties will consult together whenever in the opinion of any of them, the territorial integrity, political independence or security or any of the parties is threatened."

Europe is far more crucial to capitalism and to the global interests of the rulers of the United States than either Latin America or South East Asia. Just as the Pentagon has stopped at nothing there - economic blackmail, blockades, the financing of fascist coups, the plotting of assassinations and massive military invasions, it will do everything in its power to block and roll back the anti-capitalist struggles that are on the rise throughout Europe.

Canada already has modest forces in Europe. Schlesinger has challenged the Trudeau government to step up its commitments there. Canada's presence there can be even more useful to mask the widely understood role of the US than it was in Vietnam.

Schlesinger's visit to Ottawa was timed to coincide with a re-opening of tense discussions that the Trudeau government has been conducting, completely behind the backs of parliament not to speak of the Canadian people, involving the complete re-equipment of Canadian armed forces with up-to-date and extremely costly weapons and the development of an arms industry which would be qualitatively more extensive than what developed during the Vietnam war.

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According to Clive Baxter, writing in the *Financial Post* the sums involved "could run far more than two billion dollars." Decisions involving the aircraft industry could have colossal repercussions on the Canadian economy and Canada's role in Europe. Baxter reports that the "sessions the ministers held last July ended in a complete breakdown of the cabinet." But the hour of decision has arrived.

The top US war contractors, the world's leading merchants of death, are jostling one another for the prize — Lockheed, Boeing, McDonnell-Douglas, General Dynamics and Grumman — each with its own complex web of propositions. Aside from the decision as to the quality and nature of the aircraft which will determine the nature of the Canadian forces and their specific assignment in the combined forces of the European counter-revolution, there are a complex of propositions. One of the key ones involves the government-owned DeHavilland plant and its options to purchase Canadair from General Dynamics. Several of the biggest contractors



With the humility befitting his rank, Prime Minister Trudeau is informed by US 'Defense' Secretary James Schlesinger that Canada is expected to bolster its forces in NATO, the imperialist alliance whose function is to police the people of Europe.

propose to buy in with government subsidies and assured contracts, thereby locking the government itself into promoting their specific models throughout the alliance. Sweetening it all are the promises of jobs through the main contracts and multiple sub-contracts.

Aside from the gross instability such projects build into the economy they will further increase the concentration and centralization of capital in the hands of big capital and in particular the giant US imperialist monopolists. The colossal expenditures on socially useless goods will only further fuel the fires of inflation and generate social decay.

Up until now the working people of Canada have left the decisions involving the military budget and the armed forces to the ruling class and their political spokesmen. An important factor in this has been the illusion that the armed forces in some way constitute an instrument for the defence of the national sovereignty from various powers alleged to be threatening it. In reality they constitute the most direct threat to the Canadian working people themselves, both as a police apparatus at home, and abroad, in their involvement in counter-revolutionary adventures that threaten to boil over and endanger humankind with nuclear destruction.

The various organizations of the working class, and above all the unions and the NDP must commence to move out into opposition to vote down any and all funds now going to the military establishment, including the vast increase that is about to be proposed and filched out of their pockets. They must demand the withdrawal of Canadian forces from Europe and the Middle East and Canada's break from the US dominated military alliances of NATO and NORAD.



Teachers demonstrate against use of army as strikebreakers.

Br. Labor Party left mounts rebuke to Wilson leadership

by Paul Kane

The policies of the Wilson leadership of the British Labor Party came under sizzling attack from the growing left wing at the Party's annual conference in Blackpool on September 30th. Chancellor of the Exchequer Denis Healey was unceremoniously ousted from his seat on the national executive to be replaced by a strong spokesman for the left wing, Eric Heffer, longtime socialist militant who stands squarely for massive nationalization under

workers' control.

The loudest reception afforded any speaker was reserved for Anthony Wedgwood Benn, an important leader of the Party's left wing, who stated that "We were not elected only to nurse an unjust and ineffective system through yet another crisis so that it can recover its vitality and be handed back to the same people in whose interests it will always operate." The left, stronger than ever in numbers, called stridently for workers' con-

trol, massive nationalizations and for implementation of the party's Socialist Manifesto, popularized in the recent national election.

The Wilson leadership is attempting to bail Britain's ailing capitalist economy out by half-hearted reform measures on the one hand and by urging restraint on the workers on the other.

Despite this pressure for self-restraint, the British economy continues to reel under a severe balance of payments deficit, a run on the pound that has reduced its value to \$2.00 US, critical unemployment rolls well exceeding the one million mark and an annual rate of inflation conservatively estimated at 26.6%.

Wilson's miserable solution has been to impose a 10% ceiling on all wage increases, cash limits on public expenditures and an end to "excessive" subsidies in the public sector; steps which have won Tory backing in the House of Commons.

Elected to power on a program which posed a fundamental redistribution of wealth and the imposition of serious controls and extended ownership of the private economic sector, the Wilson leadership now reversed its stated course for measures designed to hold down the workers' standard of living and to foster unemployment in order that British capitalism may weather the economic storms ahead.

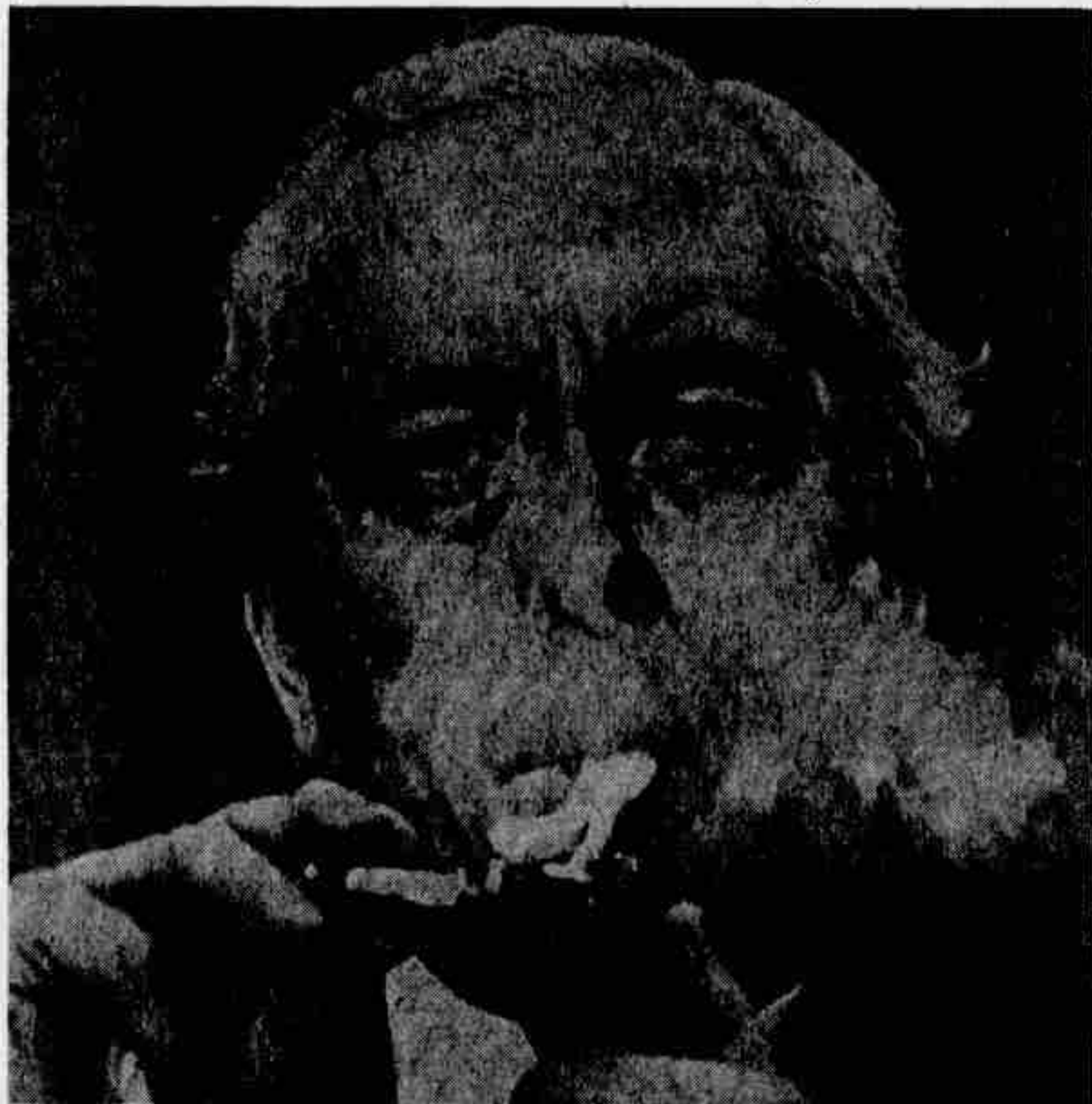
With wages frozen to a 12 dollar annual increase, whatever wage gains result from workers' struggles will soon be gobbled up by prices increases and fall far behind.

One of Prime Minister Harold Wilson's "moderate" ministers, Roy Hattersley, has already stated that the government would not be able to control prices directly: "We cannot do that... because that would force many of our companies to close down. That would mean more unemployment." Hattersley added, "If the government's anti-inflation program fails to show desired results in one year - reducing inflation by close to 10% - we will be in desperate trouble, requiring extreme remedies no one has yet thought of." A hint of what these measures might be comes from Wilson's chief advisors, who believe that a second year wage hold-down, perhaps limiting raises to 5%, is unavoidable.

Lacking the perspective of nationalizing the commanding heights of the British economy - still under the control of a tiny handful of economic magnates - and planning the economy under direct workers' control, the reformist leadership of the Labor Party has no solutions to capitalism's woes aside from the classical capitalist solutions of increased unemployment and freezing wages.

Though able to obtain the official endorsement of the Trades Union Congress for the current wage freeze policy, unions representing more than four and a half million workers - including significant white collar unions stood steadfastly opposed to the freeze.

This shows how the unions are under tremendous rank and file pressures, as typified by the National Union of Mineworkers. Under threats of growing unemployment and shutdowns, a majority of the mineworkers endorsed the wage freeze - though strong pockets of opposition made themselves felt in many places. In addition, the Mineworkers are still seeking, for the record, a 39 pound a week increase to a minimum of 100 pounds a week. Though agreeing for the time being not to strike for this justified wage increase, it remains to be seen how long the miners, who have already brought down one government, will agree to exercise such enormous self-restraint. In the coming winter months, what is now simply being sought for the record could easily explode into massive labor unrest which could strengthen labor militancy elsewhere and impel the party's left-wing to pose squarely the socialist alternative to Wilson's reformist course.



Wilson admits he has no solutions to the crisis of Britain's capitalist economy.

Editor: Wayne Roberts

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Task for socialists

For *Forward* supporters, the recent Ontario elections were a dramatic confirmation of our view that the NDP, whatever its limitations, represents the main avenue of political development among the working people of this country. We began publishing *Forward* a little over a year ago as testimony to this conviction and to separate ourselves from the other currents of socialist thought who above all tried to differentiate themselves from the NDP, thinking it was but a minor hurdle to overcome in the task of taking the socialist message to the working class.

Because we see the NDP as the vehicle of working class political action and is presently the container of many of the essential forces that have an interest in the struggle for socialism, we have always upheld our identification with it, especially in the course of elections - a time when the working class is more politically aware than usual and a time when socialists must give direction to their class. The September 18th Ontario election vindicates our position that socialist currents which ignore or level blanket attacks on the NDP, will be ignored by the working class and will be relegated to the sidelines of its political development.

The Communist Party, running a broad campaign of 31 candidates, received a handful of votes with their program, which was presented in opposition to that of the NDP, despite the fact that it was objectively to the right of the NDP. Not only did it not call for an NDP/labor government; it did not even call for an NDP vote where it was not running. After all, the NDP is only one component of the "progressive anti-monopoly coalition" so dear to their illusions.

The Revolutionary Marxist Group distinguished itself by not even mentioning the election in the September issue of its paper, *Old Mole*. Although they had full coverage of Portugal and a lengthy and interesting review of JAWS.

The Independent Socialists (an offspring of the Ontario Waffle) were forced to offer grudging support to the NDP, although they insisted that this vote be without illusions. They did not indicate whether voters should spoil their ballot by writing "without illusions" on it.

The League for Socialist Action's paper *Labor Challenge*, which is hawked as a supporter of the NDP, has an elephant's memory when it comes to the question of the so-called corridor coalition of the federal party in the last parliament.

Eager to press their differentiation from the NDP, even in some token way, they ran against Davis and the NDP in Brampton. Although their leaflets and literature tried to pose this in a pretence of support to the NDP (Vote Simms, in Brampton! For an NDP Government!), they only succeeded in cheating themselves at solitaire. All their small forces were directed to postering Toronto(!) on behalf of Simms.

If, whatever the wishes or preferences of the left; if, whatever the limitations of the NDP, the NDP remains the arena for working class political development, then it is incumbent on the small forces of organized socialism in this country to identify with it and go through an experience with its ranks as they search for the programmatic answers to their needs. Increasingly, socialists who have left the party over the Waffle or other controversies are returning as campaign workers, realizing that the NDP is the only vehicle of mass working class politics. But it is not enough to sniff around the NDP, helping occasionally. They must become a full part of the NDP experience, rise with and learn from its ranks as they take the steps in their efforts to make the NDP an instrument of their aspirations. It is through that process that the forces which will build socialism in this country will develop.

Stop Douglas deportation

Rosie Douglas, a black activist branded as a national security risk by the attorney-general, faces an ominous deportation to Dominica on December 15. Douglas, who served a two year jail sentence for his role in the Sir George Williams sit-in in 1969, has exhausted almost all the appeals that could delay that action.

His impending deportation by the government is a clear case of discrimination. Although temporary damage was done to the George Williams computers as a result of the invasion of 400 armed riot police, Douglas was never charged or convicted for more than taking part in an illegal sit-in. Of the 97 who participated in the sit-in, he is almost the only one isolated for such harsh treatment.

Since that time, as a result of protests of black community leaders, civil libertarians and NDPers, the government has been forced to withdraw many of the insinuations and charges levied against him, but they have held firm to his deportation. Especially considering the fact that Douglas faces certain danger and even death in his native Dominica from a government which is viciously repressive to all dissenters, it is essential that support be rallied for him immediately. A conference has been planned to deal with this in late November. Contact the Rosie Douglas Defence Ctee, P.O. Box 194, Station P, Toronto, for further information.

Forward forums offer discussion for socialists

By Wayne Roberts

Veteran US unionist and socialist John Anderson and Ross Dowson, author of *The Power and Dilemma of the Trade Unions*, shared the platform at a forum held at 252 Bloor on October 10.

The meeting, organized to take advantage of a visit by the Detroit unionist was co-sponsored by the Independent Socialists and the Socialist League. The theme was socialists in the unions and covered diverse aspects of the aims of socialists in the trade union movement and how they work to realize them.

This special event forced the postponement of the regular Friday night *Forward* forum held at 53 Gerrard Street West. Since September 19, the night following the Ontario electoral breakthrough of the NDP, the

Forward forum has carried a series on the NDP. The September 19 forum featured a panel discussion with NDP candidates Bob Sherwood (Don Mills) and Howard Moscoe (Wilson Heights), with SL organizer Gordon Doctorow in the chair. The last of that series - The NDP leadership and the Need for and the Tasks of a Left Wing - will be shifted to October.

Forward forums cover a wide variety of themes of interest to the women's, student and working class movement, under diverse formats. The question and discussion period is open to all opinion and is one of the highlights of the forum.

Persons wishing to keep informed should write to *Forward* Forum, 53 Gerrard Street West, Toronto to get on the mailing list.

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For a congress of all Cdn labor to fight Trudeau's wage freeze

By the Editors

With the militancy demonstrated by the delegates to the national convention of the 210,000 member Canadian Union of Public Employees the confusion and hesitancy across the ranks of organized labor as what can be done about Ottawa's so-called anti-inflation program has begun to fade.

Retiring president Stan Little's charge that Ottawa's program is a War Measures Act against the union movement in a phoney war on inflation, and his urging that the 1,200 CUPE locals oppose the mandatory restriction in every way possible, won tumultuous applause. But the delegates also demonstrated in no uncertain way that they wanted action by turning the leadership's resolution back not once but twice to be beefed up, and by taking action, mass action then and now. Over 2,000 strong, joined by posties and railway workers, they took over the streets in front of the Royal York Hotel in downtown Toronto to demonstrate against Trudeau, addressing the Rotary Club on his government's proposed legislation.

Since then the top brass of the Canadian labour movement has moved from tokenist protest to militant denunciation of Trudeau's psychological warfare against labor in its attempts to catch up and keep up with inflation.

The executive of the Saskatchewan Federation of Labor confronted Trudeau in Regina with the charge that the program was designed "to use workers as cannon fodder" to fight inflation that they had not caused, and a challenge that the controls should be withdrawn.

Saskatchewan labor was not "prepared to negotiate changes in this plan...and Saskatchewan

workers do not intend to cooperate with it." Executive spokesmen announced plans to convene an emergency provincial convention of their members to plan a strategy for fighting the controls.

Following a closed meeting, the CLC executive council, composed of the leadership of the country's 30 biggest locals and representing 2.6 million unionists, issued a statement demanding that Bill C73 which will make the controls law, be immediately withdrawn. They condemned the proposed legislation as being not only "highly inequitable", directed as it is against the victims of inflation, but also completely unworkable. In its place they outlined a 10 point program against inflation. Through President Joe Morris they called on all union locals to bargain as if the control program does not exist.

Some of the leaders began to talk more militantly. Although Morris felt it necessary to say that the executive was not thinking of general strike and that he "would not counsel anyone to civil disobedience," Don Montgomery said that the battle will be a long term affair — "almost guerrilla warfare." They decided to strike off a special committee to mount a nation-wide campaign and a special fund to help unions fight the wage ceilings and retain legal advisors as to the possibility of challenging the legislation in the courts. Morris dissociated the CLC from a former CLC vice-president who the government has managed to wheedle into sitting on its anti-inflation board.

This meeting was followed one week later by a meeting of the leadership of all congress affiliates. It adopted the project contributions from the membership. It also saw the leadership shift to a more radical stance. Morris



Program for labor

A fighting program against Trudeau's freeze of our efforts to defend our living standards from continuous inflation — Ottawa's wage freeze.

For an emergency delegated congress of all unions of the Canadian Labor Congress, the Quebec Confederation of National Trade Unions, the provincial teachers organizations — of all labor — to map out and organize their massive numbers behind a fighting strategy to defeat Ottawa's wage freeze.

For a common front behind the embattled forces of the Postal workers, Ontario's teachers and Quebec's nurses, now on the firing line. Their defeat would signify a blow at the coming struggles of the railway workers, the autoworkers, the civil servants, and others.

For immediate action to form consumers, farmers and union committees on prices. From a massive exposure of unconscionable price hoists before the so-called anti-inflation review board and the public, to the structuring of committees on prices that will rip the cover-up of the corporate giants' machinations of exploitation, robbery and fraud. For an end of the Big Business conspiracy against the rest of the community. Abolition of all business secrets. Toward popular control of the productive plant of the country.

now said that he was not far from ruling out any kind of action and that "this is one goddam law I'm prepared to disobey no matter what the cost." McDermott of the UAW talked in terms of confrontation.

Some 1,300 union delegates

representing 800,000 workers at the Ontario Federation of Labor congress in Kitchener heard president David Archer, not noted for such comments, declare that he is prepared to go to jail to block the government's program and that they must also be prepared to take the consequences of this action even if it "meant going to prison". If defiance of the program meant going to jail, and Trudeau's October 1970 War Measures Action shows that he is no doubt prepared to honor a recent statement that he would jail a few labor leaders, said Archer, "a trade union leader worth his salt...should do so."

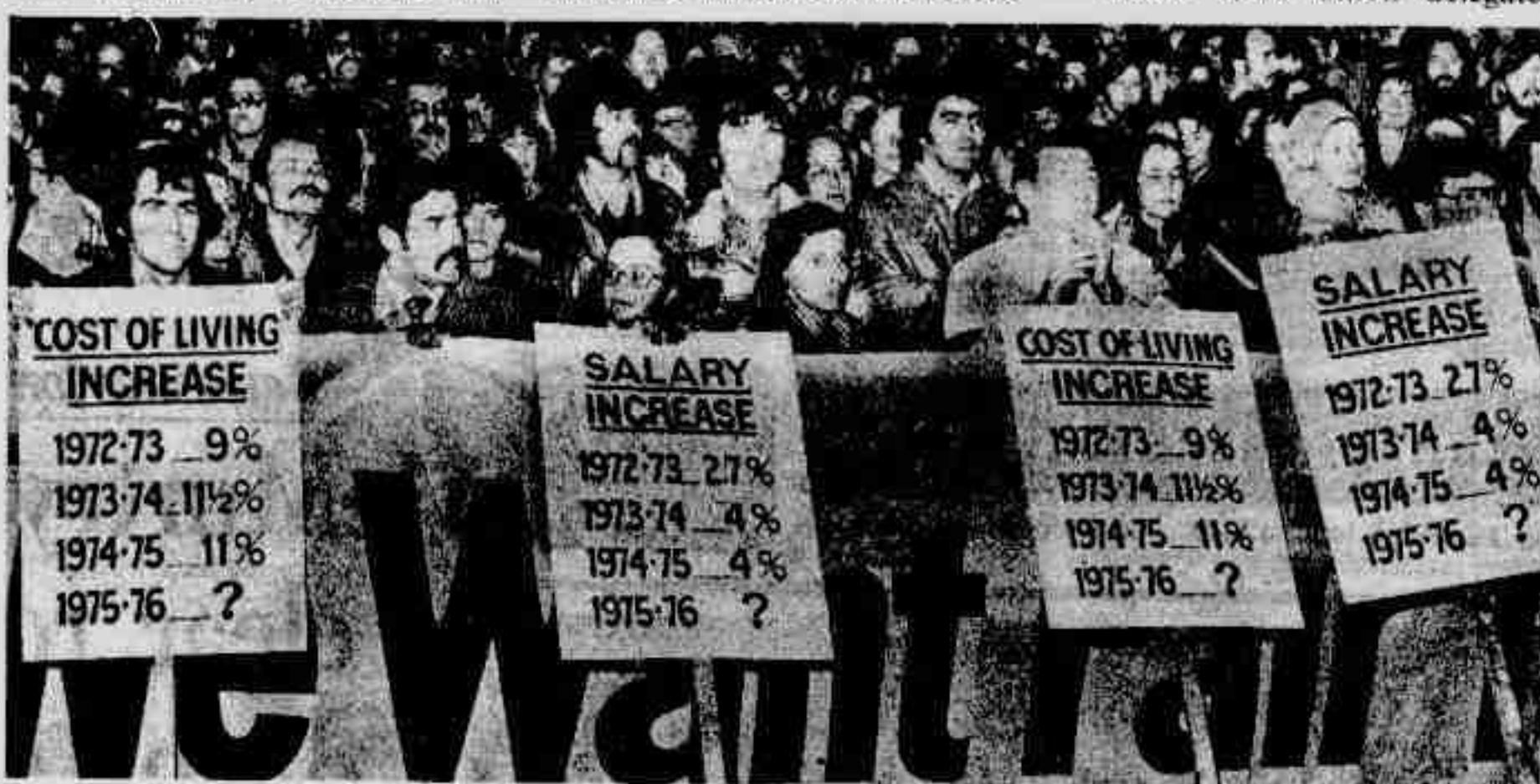
Shirley Carr told the Kitchener press that the CLC will soon stage mass demonstrations both at Ottawa and at Queen's Park, demanding the immediate withdrawal of the legislation. She reported that large sums of money are coming from across the country to bolster the Congress' war chest and expressed the conviction that Trudeau's wage freeze legislation has "succeeded in uniting all the labor movements much more quickly than I would have thought possible."

There is no question that the working people of Canada want action against inflation. In all the metropolitan centers they are being confronted with massive increases by the landlords. These

increases are being pyramided on top of last year's rents which for Toronto apartments, according to a CMHC investigation, went up on the average of 13 per cent.

Food is not covered by the regulations either, will increase on an average of 9.06% in the coming year according to a survey by 13 Montreal economists. This alone is more than one percentage point above the goal of the government's program.

The trade union movement is the only force that can provide an organizing center and the bulk of the clout to effectively fight the government's wage freeze. But it is necessary to move from words to deeds. The projected mass demonstrations are a step forward, but only a step. Talk of union locals and even entire unions bargaining as usual, on their own, is just that. Only concerted, only united action will work. What is needed is a strategy in defence of those now on the battle line. Effective solidarity certainly requires the very serious consideration of organized one-day sympathy strikes on their behalf. The united congress of all labor is required to establish just where we are at — what actions are necessary and what actions we are prepared to take. For Ottawa's wage freeze can only be defeated by the conscious united action of a roused people. Organized labor can lead the way.



Two thousand separate school teachers protest the Ontario government's wavering on the wage increase they won, using the pretext of federal wage controls.

Food price hikes exposed

A monitoring organization set up by Shirley Varga of Sudbury has exposed hoists in food prices of as much as 50% in that area since Big Business' government in Ottawa put its anti-inflationary program into effect. Calls from indignant shoppers have been coming into the fledgeling organization on an average of 30 a day and are increasing as the community hears about the project. Shirley Varga is associated with the journal True North.

All the giant food merchandisers are in on the gouging. Loblaw's Elm Street store raised one pound packages of Maple Leaf Sizzlers from 1.18 to 1.48. Dominion's Falconbridge operation raised cans of Smith's vegetable cocktail from 48 cents to 61 cents. Red and White in Azilda marked up a 10 oz. jar of Nescafe coffee from 2.53 to 3.55 and at A & P's Pine Street store the price of Maxwell House coffee zoomed from 1.70 to 2.28. A few days after the

government announced its freeze on wages, Loblaw's closed one of their outlets in downtown Toronto for renovation. The store reopened two weeks later under the name of Ziggys, a specialty chain that Loblaw's owns. According to shoppers in the newly named store, prices were approximately 20% higher right across the board. Under its regulations the government board can conduct an enquiry but there is no legislation to enforce price rollbacks.

In this issue:

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<i>Canada's corporate elite</i>	p5
<i>Portugal at crossroads</i>	p7

Confirmed five years after

The October crisis fraud

Today, on the occasion of the fifth anniversary of the War Measures Act, a CBC special on the October crisis featured leading politicians dissociating themselves from the Trudeau government. Former Liberal cabinet minister Eric Kierans and Conservative opposition leader Stanfield are rushing into the lineup asking for public forgiveness now that they admit that the WMA was a case of "overkill", which they lacked the courage to condemn at the time. Quebec premier Bourassa admits that the "state of apprehended insurrection" was a pure ploy drawn up to legitimize the WMA — a means of circumventing the Quebec legislature and providing

their reaction to the WMA at the time reveals clearly that the labour movement, the NDP and the left are the only serious forces that will stand up for democracy.

Today, we reprint a statement of the time by frequent **Forward** contributor, Ross Dowson. The article was written early in November 1970 for a contemporary socialist journal. —Ed. Note

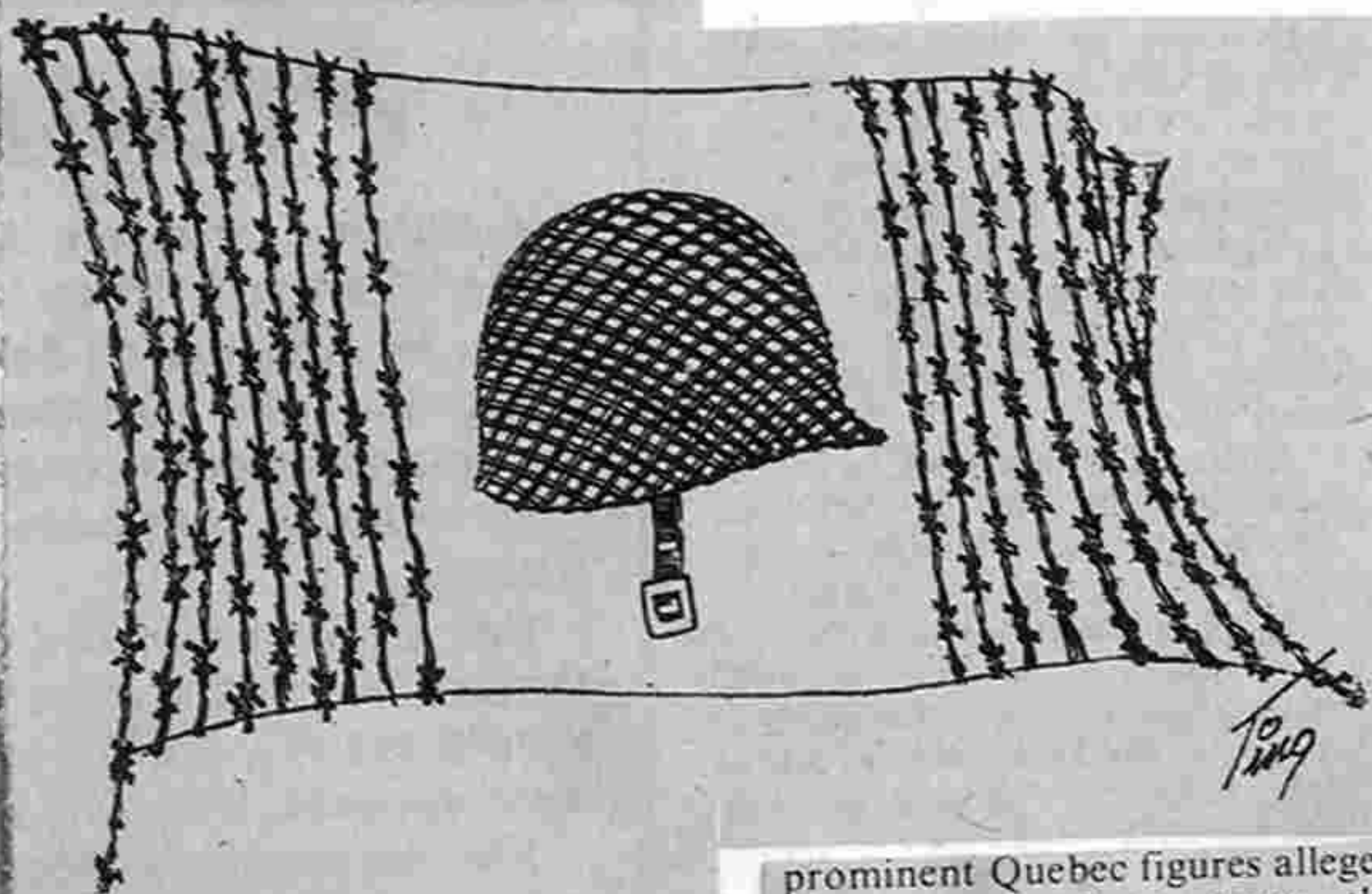
The Trudeau government is now replacing the War Measures Act, with which it arrogated to itself sweeping totalitarian powers allegedly to cope with the "apprehended insurrection" posed by the FLQ, at the same time as it is fuelling a smoke screen of rumours about a sinister plot by

repressive aspects of the War Measures Act (search and arrest without warrant, detention without charge, etc.) while leaving the act itself in reserve — even if it is no longer to be applied at this time.

All this clearly answers the question that has continued to plague ever-widening circles. Why did the Trudeau government resort to such totalitarian powers, to such an ultimate weapon as the War Measures Act? Why didn't it utilize the crushing powers already available to it in the Criminal Code and elsewhere?

The picture is clearing up. The Trudeau government sought to take advantage of the crisis thrust on it by the kidnappings and

→ to page 2



legal cover for federal emergency action.

Meanwhile the Trudeau government continues with its attempts to prepare the grounds for new legislation, as punitive and far reaching as the WMA, without requiring all the hysteria.

Editors and parliamentarians may also be shivering over the discrediting revelation to broad numbers of Canadians that their roles as defenders of freedom fell far short of public expectations. Parliament, the Tory parliamentary opposition and the media supposedly act to protect democracy against the autocratic tendencies of any government. Instead, they backed the totalitarian drift to the hilt.

prominent Quebec figures alleged to have aimed to usurp the authority of Premier Bourassa's Liberal government with a provisional regime.

Thus at one and the same time it attempts to assure the Canadian people, profoundly disturbed by the destruction with one blow of every basic human right and liberty, that there was a for a period no other recourse open to it and that now it is coming through on its promise that the enforcement of the act was only temporary and something approaching normalcy will shortly again prevail.

But the legislation now being introduced by Minister of Justice Turner clearly reveals that the government intends to write into the statute books some of the most

murder, first and foremost to strike a body blow against Quebec nationalism which continues to grow and develop an increasingly independentist and revolutionary character.

It seeks new and added powers to use against the Québécois.

At the same time it seeks to create a climate whereby it can turn back the campus revolt — the ongoing radicalization of the youth in the universities and high schools. And simultaneously it is trying to prepare the conditions that would enable it to move in against the organized labour movement and render it less able to defend its interests.

With the enactment of the War Measures Act the Minister of Justice cautioned against the settling of old scores, against excesses.

The B.C. Socred government has passed an order to council barring from employment in institutions dispensing state funds anyone alleged to support the aims of the F.Q. and to advocate the overthrow of government by force and violence. This has already resulted in the firing of teacher Arthur Olson. The echo of this is found in the Toronto Board of Education. Are these excesses?

The address of W.H. Kelly, former deputy commissioner of the RCMP, to the Ottawa Canadian Club has received widespread publicity over the mass media. He demanded stiffer immigration procedures to keep out or to deport foreign radicals already in the country — particularly those on the campuses. He called for greater power for the police, including the formal right to grill suspects, and freer use of wiretapping. Is that an excess?

The harassment of the cross-Canada university student press, the seizure of Maoist publications, the taking into custody of seven of the Vancouver Liberation Front, the persecution by the Toronto police of a draft evader to the point where he finally fled and placed himself at the mercy of U.S. authorities — are these excesses?

The self-imposed banning by CTV of a TV program because it touched on the Quebec situation,

CBC's banning of a documentary on Lenin, CBC president George Davidson's order to news service employees to impose self-censorship on coverage of the Quebec crisis. Are these excesses?

Far from being excesses they are exactly what persons in high government office, spokesmen for capitalist class interest in various areas, have been advocating all along.

And they are the inevitable result of the enactment of the War Measures Act which at one blow imposed all the legal conditions for a police state: the authorization by law of the police arrest and detention without warrant of anyone suspected of being a member of an unlawful organization, entry and search without warrant, detention without charge for seven days and up to 21 days on authority of an attorney general, incarceration in jail up to 90 days before a trial date need be set.

Under this act Quebec was invaded and occupied by a federal army of 7,500 men. Police raids resulted in the arrest so far of 405 persons all of whom were held incommunicado and without charge for days.

The enactment of the War Measures Act revealed in a blinding light that the much vaunted civil rights and democratic processes that are supposed to be woven into the very fabric of present day society are to all intents and purposes nonexistent.

When it was made to appear that the power of the state itself was being infringed upon, all the institutions of parliamentary democracy — Bill of Rights, House of Commons — all were cynically swept aside.

The army and the police took over on the authorization of a handful of men. With the receipt of a letter from Mr. Bourassa and another from Monreal's Mayor Drapeau drawn up two or three days earlier but dispatched to Ottawa at an agreed time, four cabinet ministers worked on documents for about an hour and dispatched them to the Governor General Roland Michener who signed them.

Canada awoke the next morning under the War Measures Act and several hundred Québécois were in jail.

The custodians of our civil rights were revealed to be the collective consciousness of the people of Canada and the specific instruments that the working class above all has forged in struggle — the trade unions, the New Democratic Party and the various other currents and tendencies of the left.

After the first shock of confusion, the socialists, civil libertarians, the NDP parliamentary caucus and the unions responded to the challenge. On the broad scale the opposition of the overwhelming majority of the NDP parliamentary caucus and the united Quebec labor movement has been instrumental in arousing the wide popular concern.

That it not to say that there has been no serious weakness in both areas. The apparent agreement of NDP MP's to go along now with the codifying of certain aspects of the War Measures Act is particularly dangerous.

The struggle must now go on. New layers must be awakened, educated and activated to win the release of all the Québécois now imprisoned under the Act, to compel the withdrawal of the troops occupying Quebec and the abolition of the War Measures Act and to prevent the enactment of repressive legislation of any type.

Cdn Dimension on NDP

Canadian Dimension, currently celebrating its tenth anniversary as one of the most influential journals in the Canadian left, has now come out with a special issue on Socialism and the NDP. The issue, containing articles by editor John Gallagher and founder Cy Gonic, attempts a rounded blast at the NDP as a party and the antagonistic relationship between it and the struggle for socialism.

Despite the fact that they recognize that the socialist left has always been a factor in the struggles in the party, despite their recognition of the undisputed hold of the NDP over the workers' political aspirations, they conclude that the party as a whole is inevitably tied to reform, is no longer an expression of discontent among workers and at most serves as a left wing for petit bourgeois bureaucrats who have a stake in paternalistic state capitalism. At best, they argue for a non-sectarian relationship between individuals in and out of the NDP.

Ironically, however, they have nothing to offer to socialists, despite their object of winning them away from the NDP. Arguing that it is premature to organize a party, pre-party or "vanguard", they dream of socialist centres. Gonic gives some suggestions for their activities, like taping workers' grievances and helping militants find meeting halls and publish pamphlets.

A fine strategy for someone who finds the NDP hopelessly paternalistic!

The fact that they fall so flat on their face in their presentation of alternatives reveals their problem - they look on the challenge of the NDP by standing it on its head. Of course the leadership of the NDP is more interested in reforming than replacing capitalism. But this is a subjective consideration and is not one that determines the dynamism of

the NDP.

The NDP must be judged not by the ideology of its leadership but by its relation to the working class. It is the only expression of class political action among the mass of workers, it represents a major step forward in independent political action from the parties of big business, and in most instances is ahead of the political consciousness of the majority of Canadian workers. It is those elements of the NDP that socialists support as a great step forward. Recognizing these positive aspects, socialists fight in the NDP to win the ranks to the socialist program that meets their needs. In the course of that struggle, we come up against the leadership and its real problems - its electoral opportunism that causes it to abandon the official positions of the party, and its parliamentarism which leads it to focus on elections and to neglect building a movement year round. It is in the struggle for leadership of the NDP, not in socialist centres finding meeting places for militants, that the differentiations leading to a socialist labor party will take place.

Now when the possibilities of and need for socialists in the NDP is tremendous, it is crucial to stay the hand of those urging a sectarian course on socialists. Now is not the time to use radical phrases as a security blanket that keeps radicals out of the major arena of political development and contestation. With that in mind, Forward Publishing has produced a pamphlet *Against Sectarianism* which attempts a rounded discussion of the challenge of the NDP. We have just published *Marx and Engels on the Labor Party*, which presents the precedent and thinking of the founders of scientific socialism. Forward readers will find these well worth reading.

The gap widens

The myth of a classless Canada suffered a severe shock recently as federal government statistics revealed a decline in the share of the bottom-earning 20% of Canada's population to 4% of the national income.

This fact contrasts sharply with the growth in corporate salaries, supplemented by non-taxable bonuses and semi-taxed stock options.

These facts certainly contradict the myth that Canadian income levels are generally gravitating towards a middle class level with a consequent reduction in vast income disparities. They contradict also the popular trickle-down theory, which holds that the wealth of the rich eventually filters down through the rest of society, making us all better off.

But these facts reflect also the grinding poverty, the daily struggle to make ends meet which confront millions of working poor in a country esteemed by big capital to represent equality of opportunity.

In Toronto alone, according to a social planning study commissioned by its municipal government, 280,000 people "are living almost permanently in poverty." The image of the average Canadian family as portrayed in advertising and on television is true for only a minority of Canadians. Millions of Canadians cannot afford to buy homes, a necessity in these days when tenants are subjected to outrageous rent hikes by major developers. Millions of Canadians cannot afford to provide adequate care for their children as inflation forces a return to the two-income family. Millions of Canadians cannot afford the funding necessary to provide their children with a university education, still a privilege for most students graduating from highschool. And millions of Canadians, having the misfortune of being too old or too young, too uneducated or handicapped, suffer the demoralization of inadequate housing, malnutrition, unemployment, lack of recreational facilities and the acute awareness imposed on them that they are excluded from the great Canadian middleclass dream.

In this vast land where capitalism has a free hand in incorporating advanced technology into the productive process, where natural resources and human labour are in ample supply, the noose still tightens around the necks of those born and trapped in the class of working people.

There can be no rationalization to justify the widening gap between rich and poor in Canada. This economic tendency is, in fact, inherent in the social system of capitalism and, more significantly, expresses itself not only in Canada, the U.S., England and other advanced capitalist countries, but on a worldwide scale in the widening gap between the rich and poor countries, that is, between the imperialist forces, on one hand, and those of the colonial world whom they are milking dry, on the other.

This historical economic necessity, national and international in scope, cannot be eliminated without eliminating the social system which gives rise to it.

Is Zionism racist?

The response of "statesmen" to a United Nations committee resolution classifying zionism as a form of racism was typical and to be expected. US delegate Leonard Garment stated the resolution put the UN "at the point of officially endorsing anti-Semitism". Israeli diplomats stated that the Arabs, who sponsored the motion, "are determined to revive and spread anti-Semitism throughout the world". And a US official said: "The fascists in Chile and some like-minded military regimes are lining up with the anti-Semites". Time has already proven this last charge invalid — Chile's military butchers made an about face within days.

But are the other charges true? Are those who equate zionism with racism anti-Semitic?

Such a charge is based on an identity between the interests of Jewish people and Israel, between Jews and Zionism. It should be noted however, that historically the mass of Jews have always rejected Zionism, rejected the creation of a separate Jewish state as a solution to the historical oppression of the Jewish nationality. Only with the holocaust and mass murder of six million Jews by the Nazi barbarians did Jews turn to the Israeli nation-state as "the" solution.

But is Israel a haven for the Jewish people? Paradoxically, Israel is the last place where Jews feel secure.

An impassionate, objective assessment of the experience of Zionism cannot help but note that, far from providing security to the Jewish people, Israel has become a death-trap, pitting the sons and daughters of European, Asian and African Jews against the Palestinian people who have been living on the stretch of land currently designated as Israel for centuries. Excluded from that land by military force, barred from returning to their homes by racist laws inherited from the days of the British mandate, subject to discriminatory and racist treatment by the religious regime of Israel, excluded from social, financial and cultural benefits freely available to the Israeli Hebrews, the Palestinian people are clearly struggling against a state based on exclusivity, a racist state.

Thus zionism is not only racist; it is a death trap contrived by imperialism, at the expense of the Hebrews, to serve its nefarious political goals of maintaining disunity within the Arab world and a dependent client state available for political sacrifice should the politics of imperialism deem it advisable.

Are the United States and European governments, who stood silently by during the holocaust, refusing to open their doors to Jews fleeing Nazism, now self-righteously condemning the UN resolution simply playing on guilt feelings while justifying once again their use of Jews for their imperialist goals?

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Oh Canada

by Paul Kane

B.G. Barrow, commissioner of Ottawa's Foreign Investment Review Agency, is touring Europe to convince investors that the act is in no way designed to impede foreign takeovers, as the Canadian people, and in fact parliament, had been led to understand.

"Indeed", he told a meeting of Canadian and German businessmen in Frankfurt last month, "far from setting limits on foreign investment the performance criteria in the act include considerable emphasis on the desirability of growth on the part of enterprises acquired or established by foreign investors."

Barrow urged investors, possibly worried about uncertainties due to the agency's review process, to "Try it — you'll like it". He pointed out that of 141 applications to buy-up Canadian companies only 26 had been shelved for renegotiation.

US investment bankers are getting ready to take advantage of Ottawa's recent removal of the 15% withholding tax on interest paid to non-Canadian resident holders of medium and long term Canadian corporate debt. Ottawa has removed the tax in order to induce a larger inflow of foreign capital to help offset the climbing Canadian balance of trade deficit.

In 1974 nearly \$400 million in US private placement borrowings were piled up by major Canadian corporations. With the withholding tax removed the way is now cleared for US insurance companies, pension and bond funds, etc., to invest in Canadian companies and to go through public underwriting — a much cheaper way.

According to a *Financial Post* New York correspondent, Canadian corporate borrowings in the US public debt market could total between \$750 million and \$1,200 million a year. But what US investment bankers are really getting ready for is the big opportunity looming up on the horizon — to get in on the financing of the new Canadian natural-gas pipeline and other major energy projects — which will be the biggest killing ever made over natural resources which should belong to the people.

indication to everyone concerned that the federal government intends to take some positive action...retroactive to the policy statement date."

In his letter Ritchie made the estimate that about 200 foreign banks now have offices in Canada, compared with 30 a year earlier. Bank of Canada statistics, which provide only a partial picture of the activities of the foreign operations, show their assets have grown to about \$1.8 billion.



The Globe and Mail recently carried a review by NDP federal leader Ed Broadbent of Walter Gordon's new book *Storm Warnings*. He scored the exiled Liberal cabinet minister and erstwhile founder of the rump Committee for an Independent Canada at one point for promoting "what surely must be the most bizarre political solution in recent times: it is at once capitalist and utopian" — that the commons should hold a free vote on a resolution urging foreign owners of the 32 largest Canadian subsidiaries to sell out to private Canadians.

Broadbent ends his review by asking "given the choice would continentalism be worse for most Canadians", than the model of Canada projected by Gordon? "There is another option possible," he continues, "independence and socialism. But that requires another longer discussion." For an independent and socialist Canada was a concept promoted by the Waffle before Broadbent and the rest of the top NDP brass unceremoniously kicked them out of the party. We await this discussion which has long been evaded by the NDP brass but which continues to plague them.



There are rumours afoot that Ottawa is asking the US government to declare a plot of land in Washington, Canadian soil. Its ministers who practically live in Washington for constant consultation as to what to do on this and that matter, would be able to stand on it occasionally and thereby affirm that, even if they don't represent the Canadian working class, they have at least some connection, if only symbolic.

The idea appears to have come from a recent experience of External Affairs Minister Allan MacEachen. A reverse of a trick devised hundreds of years ago by Scots lairds to retain lands and titles in Nova Scotia granted to them by the Crown was pulled off by MacEachen to promote a Canada week in Edinburgh last month.

Not interested in facing the dispossessed Indians and settling there, but interested in accumulating the profits from lumber and furs, the absentee Scots owners were reluctant to meet a condition that they visit Nova Scotia once a year to retain title. So they declared one square yard of soil next to the moat at Edinburgh Castle to be actually part of Nova Scotia. By stepping on this soil once a year they kept their pledge and of course their title, to their Canadian estates.

MacEachen reclaimed the yard of soil at Edinburgh Castle to be part of Canada. Thus Edinburgh Castle, traditionally reserved for affairs hosted by British monarchs and cabinet ministers, could be used for a big party to launch Canada Week there.



October 15 saw a last minute rush by foreign banking interests (largely US) to establish operations in Canada. From that date on foreign companies are subject to scrutiny by Ottawa's regulators. If a foreign company can show it was in business before that date its expansion escapes scrutiny as long as it stays in a related business.

Canadian bankers such as G.R. Ritchie of the Bank of Nova Scotia have been crying for action by Ottawa. Last summer he warned that "Unless action is taken soon control of foreign activities in key sectors of our financial markets will be lost." Through near banks and provincially incorporated companies US bank interests have been moving in on the private preserves of the chartered banks — long seen as an impregnable citadel of indigenous Canadian capitalism.

Now Ritchie has issued an appeal to the banks' shareholders to urge action now — rather than wait until 1977 when the Canada Bank Act will be up for revision. "We believe that something should be done soon before Canada loses control of key sectors of its financial markets...even if it is simply an

New study of corporate elite**Myth and reality of class in Canada****By Ross Dowson**

"...there is not in Canada, as there is in so many other countries, any nobility, and government or corporate power structure, and class perpetuated by inherited wealth...the 'establishment' is in most cases a will-of-the-wisp creation of complainers who summon it into being in order to exploit it for their own purposes." So said Canada's Prime Minister Pierre Elliott Trudeau to a group of Italian business men in Toronto on December 2, 1971.

An increasing number of Canadians know that this statement by Mr. Trudeau, lacking the rhetorical garnish he usually employs, is not true. From their own experiences and observations, they know that there is something that certainly could be called a corporate power structure, that the owners and spokesmen of the giant business formations head up a vast network that could be called a system which defends and promotes their interests. They know that they, as their fathers and mothers before them and their sons and daughters to follow, will have to work at a job that will provide them with little more than a pay-day to pay-day living. They know that they are workers and in all probability will never be anything else. And that there is what could well be called an establishment composed of persons who constitute a ruling class which looks after its own, perpetuated by inherited positions and inherited wealth.

But what are the actual facts of

the matter? How can Trudeau's lies be refuted for one's own satisfaction and for the benefit of others whom they are designed to trick and deceive. And having the facts, how are they to be understood so that we can act?

New source of information

A great accumulation of facts, the bulk of it gathered from government statisticians, from business institutions and the work of social researchers, not only up-to-date but projecting tempo and direction are now available in Wallace Clement's book **The Canadian Corporate Elite — an analysis of economic power.**

Clement also presents an analysis and a critique of the various theories that others have used to interpret and explain such data. Often these sections of the book are obscure and make for difficult reading. The book is written on several plains to different levels of interest and sophistication. But the material is there waiting to be pulled out and presented in the labor, student and women's press. The working people of Canada are indebted to

Wallace Clement and all who helped him put out this book.

Clement's study of the Canadian economic elite and the media elite from which he concludes there is a corporate elite does not stand on its own. It is firmly rooted on the pioneer work by John Porter — **The Vertical Mosaic** — the first comprehensive study of the structure of Canadian society. In that it stands on Porter's work and comes out of the radicalization of the '60s in which the conclusions of **Vertical Mosaic** played not an insignificant role, it is in many ways a superior work. It updates Porter who commenced writing 20 years ago with basically 1952 data. Clement's basic data is from 1972 and some is even more recent. It is much more plentiful and succeeds in delineating social change over

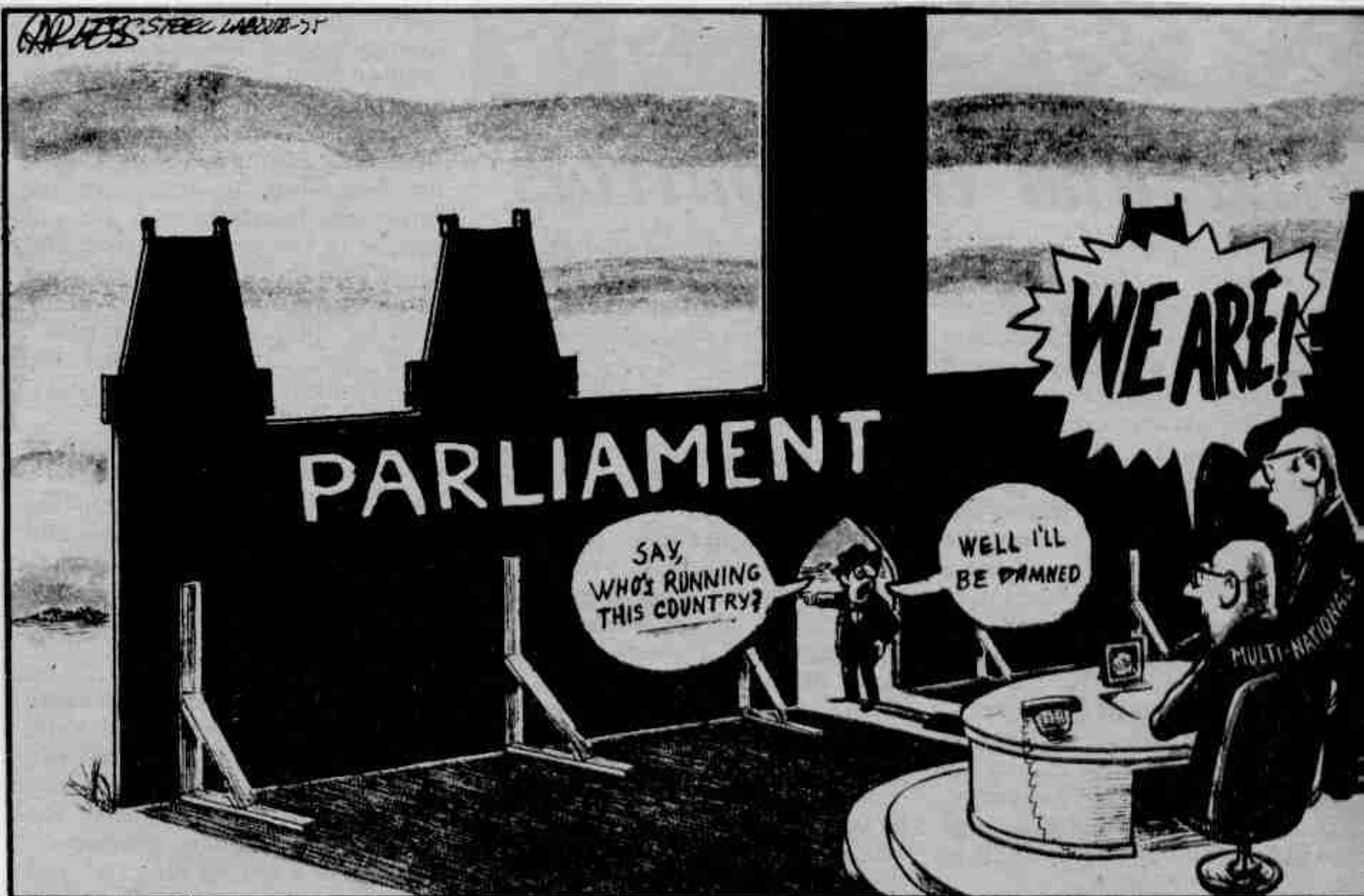
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What does Clement's study tell us about Trudeau's claims that there is no such thing as a Canadian establishment, that there is no corporate power structure and class, perpetuated by inherited wealth — in effect his pretense that Canada is an open society where anyone, if they really desire to do so, "can make it"?

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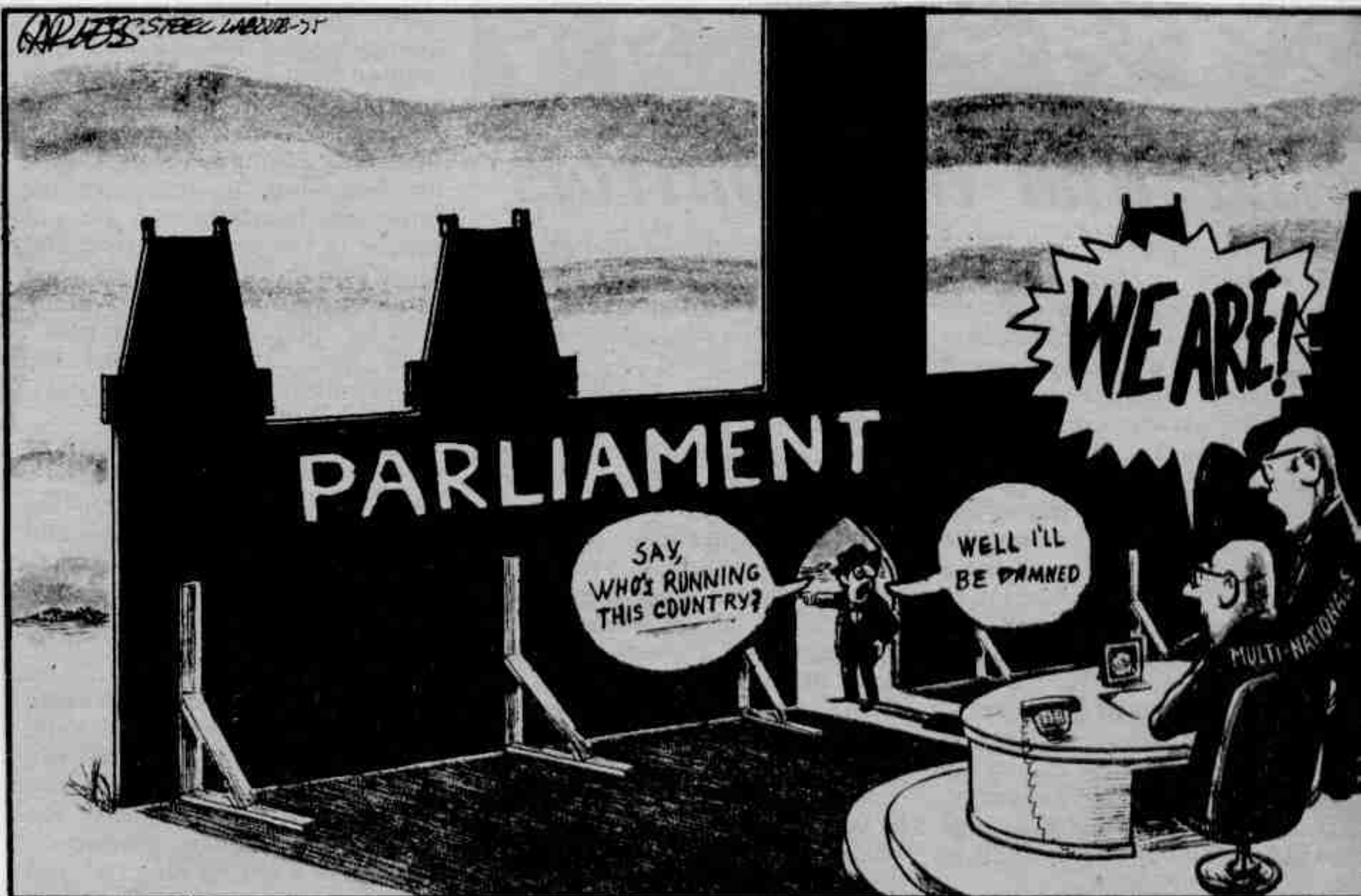
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extremely highly structured society where there are not only vast inequalities but that Canadian society is so structured that it creates and sustains inequalities which are in the process of widening.

He demonstrates conclusively that education, often looked upon as a lever to step out of a position of inequality, is an institution which, while not a cause, actually reinforces inequality.

His study of the economic elite, the 946 individuals holding a total of 1454 corporate directorships in dominant corporations identified from the **Financial Post Directory of Directors, 1972** (Porter used the 1951 list), shows that three-fifths of the present elite came from upper class origins. This was an increase of almost 10% from the origins of the economic elite 20 years ago.

The power of this economic elite has notably increased by the mere continuation of the process



Wallace Clement

of monopolization of the Canadian economy. Of the 183 largest companies in 1951, 43 merged into 17 companies by 1972. Within this highly select economic elite is a hierarchy who hold directorships in several corporations. In 1951, 203 members of this elite, representing 22% of the total, held more than one dominant directorship and together held 46% of all dominant directorships. By 1972 some 29% held interlocking directorships and together held 54% of the total of all dominant directorships.

The other process that Clements notes as accelerating over the past two decades has been the increasing penetration of the Canadian economy by foreign, largely US, investment. "US economic elites have penetrated the Canadian power structure and created a distorted elite formation at the top of the economic hierarchy, ... a very clearly defined set of people — the board of the parent company (in the US) have

ownership and control rights over the Canadian subsidiary... This means, for example, that ownership is highly concentrated

in about one half of the 113 largest corporations operating in Canada simply because they are subsidiaries of foreign controlled multinationals."

What about the participation of the ethnic groups and the French Canadians in this much touted era of flourishing multiculturalism and biculturalism?

While French Canadian constitute almost one third of the population in 1951, they only numbered 51, a mere 6.7%, in the economic elite. Some 22 years later, much talk, some legislation and a considerable expansion of the Quebec economy and they have made no significant inroads into elite circles. Only 65 members of the current economic elite are French Canadian bringing that component up to only 8.4%. Nor have they made it in the middle range and smaller corporations.

"A recent study based on 12,741 names of executives from some 2,400 companies operating in Canada only 9.48% to be French Canadian."

Although over one quarter of Canada's population is made up of ethnic groups other than the Anglos and French Canadians they have almost no representation in the economic elite. There are only 32 Jewish Canadians and 10 from other "third" ethnic groups in today's economic elite. In 1951 there were only 6 Jews (.78%) in the elite — by 1972 there were 32 (4.1%). However the 32 are associated with five corporations — 28 with one of them. They are tightly held family firms with only 6 families accounting for 25 of the 32, indicating that their mobility has not been through established corporations but through firms that have developed on the outside and grown in national stature within one generation.

Myth unfounded

Their representation in financial corporations, contrary to established myth, is well below their proportion of the entire economic elite. Clement shows in his interesting study of the private world of the economic elite that only two Jews belong to one of the six national exclusive men's clubs.

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According to Clement's research, 4 of them proved to be non-persons — adequate biographical data was available for only 2. From the Report of the Royal Commission on the status of women, we learn that women hold only 41 of the 5,889 directorships examined and only 8 of the 1469 senior executive positions in Canadian corporations.

While less than 10% of the male population in the same age group as the economic elite have had any education past secondary school, and only about 5% have university degrees over 80% of the elite has university training and an additional four per cent have other post-secondary education. Of the 104 who did not have a university education, 26 attended private schools and 21 inherited their positions in the elite.

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Clement constantly affirms that there is a Canadian bourgeoisie, and one that is powerful, although just who would deny this is unclear. On the other hand the book is studded with such statements as "In terms of the power to decide about the allocation of resources in Canada, there has been a regression to the underdevelopment of decision making (though not total underdevelop-

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Some concepts that Clement argues; the sectorized division of the economy between the Canadian (indigenous) elite and the (parasitic) US elite, between finance and utilities, and industry and resources, appear to us to be overly rigid, particularly in the light of the continual acceleration of US investment. He does not appear to us sufficiently allow for developments such as the inroads that US banking interests are in the process of making in the Canadian financial structure.

Clement employs the word comprador to describe that section of the elite that serves as agents of US ownership. This deteriorates into a self-defined status when he accepts elite members, holding directorships in both US and indigenous controlled corporations, at their own word as to their "principal occupation." It is no more satisfactory when he takes it upon himself to allocate Neil McKinnon to the indigenous Canadian camp, though he is on the board of directors of the US-owned Ford and Falconbridge giants, because "his main corporate affiliation is as chairman of the Canadian Imperial Bank of Commerce..."

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